

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: AGRICULTURAL COMMISSIONER *John Carr*

BOARD AGENDA # *B-4

Urgent

Routine

AGENDA DATE June 3, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of Fiscal Year 2008-2009 Egg Quality Contract with the California Department of Food and Agriculture

STAFF RECOMMENDATIONS:

Approve and authorize the Chairman of the Board of Supervisors to sign the Fiscal Year 2008-2009 Egg Quality contract with the California Department of Food and Agriculture.

FISCAL IMPACT:

The Egg Quality contract reimburses the Department for egg inspection activities. The total contract amount is \$22,572, of which \$17,606 represents State enforcement and \$4,966 represents Federal enforcement of egg quality standards. Funds have been requested in the Agricultural Commissioner's Fiscal Year 2008-2009 Proposed Budget.

BOARD ACTION AS FOLLOWS:

No. 2008-380

On motion of Supervisor Monteith, Seconded by Supervisor O'Brien
and approved by the following vote,

Ayes: Supervisors: O'Brien, Monteith, DeMartini and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: Grover

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

Egg Quality Control Program

This contract provides reimbursement for the enforcement of egg quality standards. This includes the inspection of eggs at production and wholesale locations to ensure compliance with State standards. Egg inspection worksheets from these inspections show the quality of eggs, number of eggs rejected, and the number of samples inspected. The contract also includes reimbursement for Federal egg surveillance, which consists of monitoring egg quality to ensure compliance with standards set by the United States Department of Agriculture (USDA). The egg quality agreement has been in effect for many years. It provides industry funds for what has been paid fully by County general funds in the past. The contract amount is \$22,572, of which \$17,606 is dedicated to State enforcement of egg quality standards and \$4,966 represents reimbursement for Federal egg surveillance activities.

POLICY ISSUE:

The Board of Supervisors is asked to determine if this contract is consistent with the Board Priorities for a Strong Agricultural Economy/Heritage and a Strong Local Economy.

STAFFING IMPACT:

There are no staffing impacts associated with this item.

Egg Quality

AGREEMENT NUMBER 08-0104
REGISTRATION NUMBER 85700608311537

- This Agreement is entered into between the State Agency and the Contractor named below:
STATE AGENCY'S NAME
DEPARTMENT OF FOOD AND AGRICULTURE
CONTRACTOR'S NAME
COUNTY OF STANISLAUS
- The term of this Agreement is: July 1, 2008 Through June 30, 2009
- The maximum amount of this Agreement is: \$22,572.20
 Twenty-two Thousand Five Hundred Seventy-two Dollars and Twenty Cents
- The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement:

Exhibit A – Scope of Work Attachment 1 1 Page(s)
3 Page(s)

Exhibit B – Budget Detail and Payment Provision Attachment 1 1 Page(s)
1 Page(s)

Exhibit C – General Terms and Conditions - GTC 307 3 Pages

Check mark one item below as Exhibit D:

- Exhibit D-Special Terms and Conditions (Attached hereto as part of this Agreement)
- Exhibit D*-Special Terms and Conditions

1 Page(s)

APPROVED AS TO FORM:
STANISLAUS COUNTY COUNSEL
BY

5. Name of Program: Inspection Services/Egg Quality Control Program

Deirdre McGrath 5/23/08

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR	<i>California Department of General Services Use Only</i>
<small>CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)</small>	
COUNTY OF STANISLAUS	
<small>BY (Authorized Signature)</small> - <i>Thomas W. Mayfield</i>	<small>DATE SIGNED</small> <i>6/3/08</i>
<small>PRINTED NAME AND TITLE OF PERSON SIGNING</small>	
THOMAS W. MAYFIELD, CHAIRMAN OF THE BOARD OF SUPERVISORS	
<small>ADDRESS</small>	
3800 Cornucopia Way, Suite B, Modesto, CA 95358	
STATE OF CALIFORNIA	
<small>AGENCY NAME</small>	
DEPARTMENT OF FOOD AND AGRICULTURE	
<small>BY (Authorized Signature)</small> - <i>Janice L. Price</i>	<small>DATE SIGNED</small> <i>6/10/08</i>
<small>PRINTED NAME AND TITLE OF PERSON SIGNING</small>	
JANICE L. PRICE, CONTRACTS MANAGER	
<small>ADDRESS</small>	
1220 N STREET, ROOM 115, SACRAMENTO, CA 95814	
<input checked="" type="checkbox"/> Exempt per: DGS Ltr 28.5	

**EXHIBIT A
(County Agreement)**

SCOPE OF WORK

1. Contractor agrees to provide the services described herein:

The Contractor shall perform egg inspections pursuant to California Food and Agriculture Code (Articles 4 & 5 §§ 27551-27566) and California Code of Regulations (Title 3, Division 3).

2. The program contract managers for this Agreement are:

FOR CDFA, THE PROGRAM CONTRACT MANAGER IS:	FOR CONTRACTOR:
Name: Irene Vera	Name: Dennis Gudge Gary Caseri <i>Dm</i>
Section/Unit: Egg Quality Control Program	Section/Unit: Agricultural Commissioner
Address: 1220 N Street	Address: 3800 Cornucopia Way, Suite B
City/Zip: Sacramento, CA 95814	City/Zip: Modesto, CA 95358
Phone: 916-445-4243	Phone: 209-525-4730

3. See Attachment 1 to this Scope of Work for a detailed description of work to be performed and duties of all parties.

**Scope of Work
2008/2009**

Agreement No. 08-0104
Exhibit A
Attachment 1
Page 1 of 3

The County agrees to provide egg inspection services for the Egg Quality Control Program. The inspections shall be performed as provided in the Food and Agricultural Code, Division 12, Part 4, Chapter 1 (commencing with Section 27501); the California Code of Regulations, Title 3, Subchapter 3; and any State policies and procedures.

This contract will be effective from July 1, 2008 through June 30, 2009. All amendments to this document must be in writing and with the consent of both parties. The County will receive payments upon submission of completed Form 9's as appropriate for the functions listed below:

- Retail inspection
- Production inspection
- Wholesale inspection
- Approved Retail/Wirebasket Complaint Investigations

Disbursements will be made for work completed in four block payments as follows: July 1 to September 30, October 1 to December 31, January 1 to March 31, and April 1 to June 30. Late submission in reports will cause delay in payments to counties and a review of county paperwork processing procedures by the Egg Quality Control Program.

Federal surveillance shall be paid at actual cost in accordance with federal guidelines consistent with cost recovery guidelines provided by the federal government. Payments will be made upon submission of completed quarterly "Surveillance Reports", PY 76, and PY 76-1, after they are approved by Egg Quality Control Program Supervisor.

Any penalty imposed by the County for violations of the laws shall remain in the County imposing the penalty.

The County shall:

- Maintain work records for each inspector/biologist on a daily basis, showing service performed under this contract together with copies of egg inspection worksheets that show the quality of eggs inspected, eggs rejected, and the number of 100 egg samples inspected. Copies of the worksheet will be given to the plant management after each inspection.
- Submit completed Report #9's by the 10th working day of the following month with corresponding non-compliance copies for that month attached. Report #9's shall be mailed or e-mailed to the State District Supervisor in your area.
- Shell Egg Surveillance Forms (PY-156) shall be mailed to the State District Supervisor in your area as soon as the surveillance work is completed.

- Original (PY-156) must be mailed to the USDA/Poultry Programs, 2909 Coffee Road Suite 4, Modesto, CA 95355.
- Submit quarterly Surveillance Forms (PY-76, and PY 76-1), by the 10th working day of the following month after the quarter is completed.
- Payment to counties for contracted egg inspection work shall be paid quarterly pending approval by program supervisor for state enforcement and USDA Shell Egg Surveillance.
- Inspection Worksheet Form (517-015) must also accompany State and Federal reports.
- Submit an annual work-load plan with regards to number of monthly inspection visits per facility for State contracted production, wholesale and retail work. The annual workload plan must be approved by State before compensation for contract is made.
- Maintain all records for a period of three years after final payment.
- Permit the State to inspect such books, records, accounts, and other materials relevant to this contract.
- Furnish the necessary inspection equipment, transportation, office space, supplies, and support services for carrying out the inspection work under this contract.
- Use only Federally licensed personnel to inspect eggs for USDA surveillance.

Agreement No. 08-0104
 Exhibit A
 Attachment 1
 Page 2 of 3

The State shall:

- Coordinate the training and technical supervision of inspectors/biologists employed by the County.
- Provide the County with inspection forms, noncompliance books, worksheets, hold-off-sale tapes, Report Form 9's, PY 76, PY 76-1, PY 156's and bio-security clothing when applicable.
- Provide for the collection of the necessary fees from the egg industry or through the Federal Trust Fund.

The State and County agree:

- Quarterly payments in arrears will be made as outlined in the Assigned Work Activity Display for production, wholesale, and retail inspections.
- To receive the maximum payments for production, wholesale and retail

inspections, the minimum number of 100 egg samples must be inspected. If the minimum number of 100 egg samples are not inspected by the end of each quarter for production and wholesale, and by the end of the fiscal year for retail inspection, payments will be made at the specified rate per sample.

- Wholesale inspection does not include establishments that require membership fees, such as Costco, Smart & Final and Sam's Club.
- The appropriate State or Federal supervisor may observe the actual inspection of eggs in the County at any time where work is being done under this contract.
- All certified and/or licensed inspectors shall adhere to the California Codes, Egg Inspection Manual, Shell Egg Regulatory Inspectors Handbook, and program enforcement policies.
- State and County personnel will keep each other informed of issues pertaining to inspections made pursuant to this contract.
- This contract may be canceled in part if funding by the USDA for federal surveillance is terminated. Payment shall be made for work performed up to this effective date.
- That if the Budget of the current year and/or any subsequent years covered under this contract does not appropriate sufficient funds for the program, this contract shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the County or to furnish any other considerations under this contract, and the county shall not be obligated to perform any provisions of the contract.

The Federal supervising inspector will issue federal licenses to such qualified inspectors as may be employed by the County for federal surveillance work.

Inspections performed under this contract are to determine compliance with USDA standards.

Inspections that comply with USDA standards but fail State standards shall be rejected for failing to meet State standards. Rejected lots may be claimed under production egg inspection.

I:\fnv\eqcprogram\contracts\08-09 county contracts\ 08-09 Scope of Work County Contracts

Agreement No. 08-0104
Exhibit H
Attachment ()
Page 3 of 3

**EXHIBIT B
(County Agreement)**

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears. Invoices shall be submitted to the designated CDFA Contract Manager for this Agreement.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Funding Sources for County Contracts (If no Federal Funds, this Section is not applicable)

An annual report of expenditures, where county payments are supported by Federal funds, will be issued by CDFA Administrative Services, Financial Services Branch. This report will be issued by September 30th for invoices submitted prior to July 31st for services rendered in the prior State Fiscal Year.

Federal and State Regulations - The County will comply with all Federal and State regulations and requirements. The County must ensure they have an adequate accounting system in place and appropriate internal controls to ensure expenditures are tracked and maintained.

All sub-recipients of Federal awards shall comply with the Code of Federal Regulations (CFR) Title 2, Part 225 - Cost Principles for State and Local Governments and Title 7, Part 3016 - Uniform Administrative Requirements for Grants and Cooperative Agreements to state and local governments.

Federal 2 CFR 225 (OMB Circular A-87) can be found at the following website:
<http://training.fws.gov/fedaid/toolkit/2cfr225.pdf>

Federal 7 CFR 3016 can be found at the following website:
http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3016_01.html

The State's accounting standards and procedures for counties provided by the State Controller's Office are located at the following website: <http://www.sco.ca.gov/ard/manual/cntyman.pdf>

County of Stanislaus
 Funding and Inspection Display
 STATE ENFORCEMENT/FEDERAL SURVEILLANCE
 2008/2009 Fiscal Year

RETAIL INSPECTION		PRODUCTION INSPECTION	
Minimum 100 Egg Samples to be Inspected	0	Minimum 100 Egg Samples to be Inspected	1072
Funding Per 100 Egg Samples	\$18.46	Quarterly 100 Egg Samples to be Inspected	268
Maximum Funding	\$0.00	Quarterly Funding	\$3,985.16
		Funding Per 100 Egg Samples	\$14.87
		Maximum Funding	\$15,940.64

WHOLESALE INSPECTION		FEDERAL SURVEILLANCE	
Minimum 100 Egg Samples to be Inspected	112	USDA Surveillance Registrants	1
Quarterly 100 Egg Samples to be Inspected	28	Four (Quarterly) Visits Per Year 4 @ \$440.68	\$1,762.72
Quarterly Funding	\$416.36	USDA Surveillance Hatchery Registrants 5 @ \$440.68	\$2,203.40
Funding Per 100 Egg Samples	\$14.87	One Visit Per Year	5
Maximum Funding	\$1,665.44	Total Visits	9
		Additional Follow Up Visit (if needed)	\$1,000.00
		Est. Total Federal Surveillance	\$4,966.12

TOTAL STATE ENFORCEMENT	\$17,606.08
TOTAL FEDERAL SURVEILLANCE	\$4,966.12
TOTAL FUNDING	\$22,572.20

EXHIBIT C
(County Agreement)

GENERAL TERMS AND CONDITIONS GTC 307

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.
8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. **RECYCLING CERTIFICATION:** The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. **NON-DISCRIMINATION CLAUSE:** During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. **CERTIFICATION CLAUSES:** The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. **TIMELINESS:** Time is of the essence in this Agreement.

13. **COMPENSATION:** The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. **GOVERNING LAW:** This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. **ANTITRUST CLAIMS:** The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1). "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2). "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: "For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a). The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

**EXHIBIT D
(County Agreement)**

SPECIAL TERMS AND CONDITIONS

1. **Excise Tax**

The State of California is exempt from federal excise taxes and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. **Settlement of Disputes**

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the CDFA within ten (10) days of discovery of the problem. Such Notice of Dispute shall contain the Agreement number. Within ten (10) days of receipt of such Notice of Dispute, the Agency Secretary, or Designee, shall meet with the Contractor and the CDFA project manager for the purpose of resolving the dispute. The decision of the Agency Secretary or Designee shall be final. In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the bid proposal.

3. **Agency Liability**

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

4. **Potential Subcontractors**

If Contractor subcontracts out a portion of the work required by this Agreement, nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

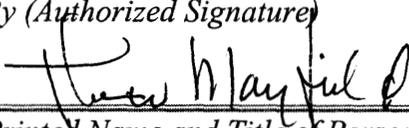
5. **Right To Terminate**

The State reserves the right to terminate this Agreement without cause subject to 30 days written notice to the Contractor. However, this Agreement can be immediately terminated by the State for cause.

Contractor may terminate this Agreement for cause and be relieved of any further obligations subject to a 60-day written notice to the State, only if contractor can no longer perform its responsibilities or if the State fails to perform its responsibilities as provided herein. Upon such termination, the State shall be relieved of any further payments and this Agreement shall be cancelled.

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
STANISLAUS COUNTY		94-6000540 W
<i>By (Authorized Signature)</i>		
		
<i>Printed Name and Title of Person Signing</i>		
THOMAS W. MAYFIELD, CHAIRMAN OF THE BOARD OF SUPERVISORS		
<i>Date Executed</i>	<i>Executed in the County of</i>	
June 3, 2008	STANISLAUS	
APPROVED AS TO FORM: STANISLAUS COUNTY COUNSEL		

CONTRACTOR CERTIFICATION CLAUSES

BY

 5/23/08

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)