Kurt E. Floren
Agricultural Commissioner
Director of Weights and Measures

COUNTY OF LOS ANGELES

Department of Agricultural Commissioner/ Weights and Measures

12300 Lower Azusa Road
Arcadia, California 91006-5872
http://acwm.lacounty.gov

Richard K. Iizuka
Chief Deputy

January 17, 2012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#23 JANUARY 17, 2012

SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

APPROVAL OF AGREEMENT #11-0114
WITH THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
FOR THE HIGH RISK PEST EXCLUSION PROGRAM
(All Districts) (Three Votes)

SUBJECT

The High Risk Pest Exclusion Program provides for the inspection of incoming shipments of agricultural commodities, such as plants, flowers, and produce, for pests and diseases, and evaluates critical pest pathways to stop potential introductions and infestations. Approval of this action will allow for continuation of this program. There is no net County cost associated with this program.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Agricultural Commissioner/Director of Weights and Measures (Commissioner/Director) to sign the accompanying agreement (#11-0114) with the California Department of Food and Agriculture (CDFA), which reimburses the County $1,546,118.65 for the term beginning July 1, 2011, through June 30, 2012, for work conducted by the Department of Agricultural Commissioner/Weights and Measures (ACWM) for the High Risk Pest Exclusion (HRPE) Program.

2. Authorize the Commissioner/Director to amend the contract agreement in an amount not to exceed 10 percent of the original contract, at no net County Cost, subject to review and approval by County Counsel and the Chief Executive Office and notification to the Board offices.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Your Board has approved similar agreements with CDFA since 2000. Approval of the recommended actions will enable ACWM to continue the HRPE Program to prevent the entry of exotic plant pests and diseases into Los Angeles County.

The County HRPE Program provides for the inspection of trucks carrying nursery plants and air freight terminals through which agricultural commodities, such as plants, flowers, and produce, are shipped. The Program also provides for the inspection of sea containers, express freight facilities, specialty markets, and swap meets at which plant and produce shipments and marketing are involved. Interception at these points of entry is the primary defense against introduction and spread of exotic and quarantine pests and diseases.

ACWM has consulted and worked collaboratively with shippers and receivers to assist in preventing the entry of exotic plant pests and diseases.

Implementation of Strategic Plan Goals

Awarding the contract meets the County's Strategic Plan Goal of Operational Effectiveness. The High Risk Pest Exclusion Program significantly reduces the risk of new pest introduction, which reduces the need for pesticide applications against new pests in the County.

FISCAL IMPACT/FINANCING

Under this agreement, CDFA will provide funding in the amount of $1,546,118.65 for work performed by ACWM for the period July 1, 2011, through June 30, 2012. There are no net County costs. The revenue was included in the department's Fiscal Year 2011 – 2012 Final Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract is for the period of July 1, 2011, through June 30, 2012.

Food and Agricultural Code Section 2282.5 provides authority for annual funding for the High Risk Pest Exclusion Program. It specifies and mandates that high hazard pest exclusion inspections be enhanced first, and monies may then be available to the (10) other specified ACWM programs. These programs are Pest Detection, Pest Eradication, Pest Management Control, Pest Exclusion, Seed Inspection, Nursery Inspection, Fruit and Vegetable Quality Control, Egg Quality Control, Apiary Inspection and Crop Statistics.

Contract #11-0114 has been reviewed by County Counsel and is approved as to form.

This cooperative agreement is being presented for approval after the start of the fiscal year due to multiple factors not under control of ACWM. Initially, CDFA did not issue its draft agreement to ACWM until June 27, 2011, at which time ACWM initiated investigation of variances in agreement values from those submitted in its submitted work plan. Other terms differing from prior years' agreements, including timeline changes for entry of pest interception data into CDFA's Pest Exclusion Information Management (PEIM) System and invoicing requirements, required communications with CDFA during July and August for clarification and analyses of required ACWM business process changes to ensure compliance with agreement terms. CDFA then notified ACWM in October of further required work plan revisions, requiring interaction with CDFA through late November.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended Board action will support the program services for the entire 2011-2012 Fiscal Year.

Respectfully submitted,

KURT E. FLOREN

Agricultural Commissioner, Director of Weights and Measures

KEF:PJD:sl

Enclosures

c: Chief Executive Officer
Executive Officer, Board of Supervisors
County Counsel
Auditor Controller

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 10/05)

AGREEMENT NUMBER
11-0114
REGISTRATION NUMBER

1. 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 LOS ANGELES
2. The term of this Agreement is: July 1, 2011 through June 30, 2012
3. The maximum amount of this Agreement is: $1,546,118.65
   One Million Five Hundred Forty-six Thousand One Hundred Eighteen Dollars and Sixty-five Cents
4. 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	1 Page(s)
Attachment 1	2 Page(s)
Attachment 2	16 Page(s)
Exhibit B – Budget Detail and Payment Provision	2 Page(s)
	1 Page(s)
Exhibit C – General Terms and Conditions - GTC 610	3 Pages
Exhibit D - Special Terms and Conditions	1 Page(s)
Exhibit E - Additional Provisions	2 Page(s)

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
County Counsel
By Mayahee 9/27/11

5. Name of Program: Pest Exclusion – High Risk Inspections & Enforcement

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

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)*		
COUNTY OF LOS ANGELES		
BY *(Authorized Signature*	DATE SIGNED)	
–		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
12300 LOWER AZUSA ROAD, ARCADIA, CA 91006-5872		
STATE OF CALIFORNIA		
AGENCY NAME		
DEPARTMENT OF FOOD AND AGRICULTURE		
BY (Authorized Signature)	DATE SIGNED	
–		
PRINTED NAME AND TITLE OF PERSON SIGNING		
JANICE L. PRICE, CONTRACTS MANAGER		
ADDRESS		☐ Exempt per:
1220 N STREET, ROOM 115, SACRAMENTO, CA 95814		

EXHIBIT A
(County Agreement)

SCOPE OF WORK

1. Contractor agrees to provide the services described herein:

   The Contractor shall provide labor and materials necessary to perform high-risk pest exclusion inspections and enforcement activities for the California Department of Food and Agriculture, Pest Exclusion Branch.

2. The program contract managers for this Agreement are:

FOR CDFA, THE PROGRAM CONTRACT MANAGER IS:		FOR CONTRACTOR:	
Name:	Steve Koehler	Name:	Kurt Floren
Section/Unit:	Pest Exclusion Branch	Section/Unit:	Agricultural Commissioner's Office
Address:	1220 N Street, Room 325	Address:	12300 Lower Azusa Road
City/Zip:	Sacramento, CA 95814	City/Zip:	Arcadia, CA 91006-5872
Phone:	916-651-2841	Phone:	626-575-5451
Email:	steve.koehler@cdfa.ca.gov	Email:	losangag@acwm.lacounty.gov

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

   The Contractor shall perform all activities per Food and Agricultural Code [FAC] 2282.5 and direction under the Program Contract Manager, or his/her designee. A copy of can be obtained at http://www.leginfo.ca.gov/calaw.html.

   The California Department of Food and Agricultural shall make payment upon receipt of an approved invoice and In accordance with the terms of this agreement, not more often than monthly in arrears.

SCOPE OF WORK

County Pest Exclusion Program
July 1, 2011 - June 30, 2012
FY 2011/2012

The County Pest Exclusion Program is intended to provide state funding to enhance pest exclusion inspection activites performed at the local level by the County Agricultural Commissioner offices. Activities include the inspection of incoming shipments of plants for the presence of agricultural pests, and the enforcement of applicable State and federal quarantine regulations. Shipments will be inspected at entry points such as airports, parcel facilities, and nurseries.

The County shall perform pest exclusion inspection and enforcement activities for the California Department of Food and Agriculture (CDFA) in compliance with the requirements imposed by:

1. Food and Agricultural Code (FAC) Division 2, Chapter 2, Article 8, Section 2282.5 **(Appendix A) and**
2. FAC Division 4, Part 2, Chapter 1, Article 1, Section 6303 **(Appendix B) and**
3. FAC Division 4, Part 2, Chapter 2, Article 1, Sections 6401 and 6403 **(Appendix B)**.

This agreement is inclusive of the County's agreement to perform activities approved by the CDFA as described in the attached projected Work Plan and Work Plan Guidelines (Exhibit B, Attachment 1). Definitions pertinent to the FY 11/12 County Pest Exclusion Program are contained in **Appendix C.**

Key activities to be conducted under this contract include:

1. **Pest Exclusion Inspections**
2. **Data Entry/Sample Submission**
3. **Reporting/Invoicing Reimbursement**

1. Pest Exclusion Inspections

The County shall perform pest exclusion inspection activities for the pathways listed below (a-d) targeting all federal, foreign and domestic quarantine and federal action pests. The County also agrees to perform inspection activities targeting all state quarantine pests and state action pests including insect species, diseases or other organisms that may adversely affect agriculture and the economy of the State.

This agreement is inclusive of pest exclusion inspections of the following pathways:

a. **Air Freight/Air Freight Forwarded** (detailed in **Appendix D**)
b. **Ant Inspections** (detailed in **Appendix E**)
c. **Nursery stock** (detailed in **Appendix F**)
d. **Parcel Terminals** (detailed in **Appendix G**)

County shall report detection of live suspect Tephritid fruit fly larvae to Pest Exclusion within 24 hours.

County shall use the USDA/SITC Referral Form (SO-155) to report interceptions that involve federal domestic quarantine violations and/or pest finds as outlined in Pest Exclusion Advisory No. 11-2010 **(Appendix H)**.

County shall notify an Interior Pest Exclusion Agricultural Biologist or Program Supervisor by phone at (916) 654-0312 regarding the interception of pests subject to a State Exterior Quarantine or Federal Domestic Quarantine.

2. **Data Entry/Sample Submission**
The County shall accurately complete the two following data sets in a timely manner:

   a. **Notice of Rejection (Appendix I):** Each time a shipment is rejected, the County shall complete a Notice of Rejection (NOR) using the Pest Exclusion Information Management (PEIM) available on the CDFA Extranet. The "High Risk" program box must be checked on all NORs. All electronic NOR files must be transferred to CDFA through the PEIM file transfer protocol no later than the fifth day of the month following when the activities took place. Counties shall follow all guidelines outlined in Pest Exclusion Advisory No. 05-2009 for submitting NORs.

   b. **Pest and Damage Record (Submission of Samples to CDFA Laboratory, Appendix J):** County shall select the "High Risk Program" on the PDR when submitting samples/specimens collected during inspections conducted under this Program to the CDFA Plant Pest Diagnostics (PPD) Laboratory for identification. The County shall complete an electronic copy of CDFA's Pest Damage Record. Samples shall be submitted to the appropriate PPD lab (Botany, Pathology, Nematology, Entomology) with a hard copy of the PDR attached.

3. **Reporting**
The county shall submit a Monthly Report 4a (**Appendix K**) by using the on-line County Monthly Report system (https://secure.cdfa.ca.gov/egov/crs/login.aspx). Monthly reports must be submitted through the on-line County Monthly Reporting system no later than the fifth day of the month following when the activities took place. Questions about reporting can be directed to Amber Morris at amorris@cdfa.ca.gov or by calling (916) 654-0312.

Invoicing/Reimbursement
The county shall submit a monthly invoice, on county letterhead using the provided template (**Appendix L**). All invoices shall be submitted to the CDFA Contract Manager. Counties may include indirect expenses (up to 25% of personnel expenses) on the invoice. Indirect expenses may include staff benefits, vehicle and facility operations, etc. Receipts for purchases do not need to be submitted to CDFA, but must be retained by the county for audit purposes. Invoices must be submitted no more than 30 days after the end of the coinciding reporting period. Send itemized invoices to:

California Department of Food and Agriculture
Attn: Steve Koehler
Pest Exclusion Branch
County Pest Exclusion Program
1220 N Street, Room 325
Sacramento, CA 95814

Counties may also send the invoices via email to skoehler@cdfa.ca.gov. Questions about invoicing/reimbursement can be directed to Steve Koehler via email or by calling (916) 654-0312.

County Pest Exclusion Program
Appendix Index

Appendix A .....FAC 2282.5

Appendix B .....FAC 6303, 6401, 6403

Appendix C.....Program Definitions

Appendix D .....Air Freight/Air Freight Forwarded Inspection Guidelines

Appendix E .....Ant Inspection Guidelines

Appendix F .....Nursery Stock Inspection Guidelines

Appendix G .....Parcel Terminal Inspection Guidelines

Appendix H .....PEA No. 11-2010

Appendix I .....NOR Form and PEA No. 05-2009

Appendix J .....Pest and Damage Report

Appendix K .....Monthly Report for High Risk Activities

Appendix L .....Monthly Invoice Template

Appendix A

FOOD AND AGRICULTURAL CODE
SECTION 2282.5

(a) The development of work plans for allocation of the funding appropriated in the Budget Act to the department for local assistance for agricultural plant and animal pest and disease prevention shall be the responsibility of the department. The department shall establish criteria for the development of the work plans and for allocating the appropriated funds.

(b) Of the amount appropriated in the Budget Act to the department for local assistance for agricultural plant and animal pest and disease prevention, five million five hundred thousand dollars ($5,500,000) shall be utilized solely for high-risk pest exclusion activities. The work plans for the exclusion of high-risk pests shall be developed by the department with the county agricultural commissioners and in consultation with affected industry representatives. In order to determine the effectiveness of high-risk pest exclusion programs in each county, the criteria established by the department for the work plan shall include, but need not be limited to, the following:

(1) The number of high-risk plant shipments entering each county.
(2) The number of high-risk entry points in each county.
(3) The number of state action quarantine pests intercepted or detected annually in each county.
(4) The work hours expended by each county in conducting exclusion of high-risk pests.
(5) The rate of interceptions and rejections per inspection activity.

(c) To remain eligible for funding under this section, a county shall maintain its support of ongoing operational costs of the county agricultural commissioner programs listed in subdivision (b) of Section 2282, at 1997-98 fiscal year levels.

(d) Funds allocated for high-risk pest exclusion activities pursuant to subdivision (b) may not be expended for any purpose other than the exclusion or detection of high-risk pests consistent with the work plans prescribed in subdivision (a) or scientific evaluation. Funds allocated by each county on or after September 28, 1998, shall not be allocated to other programs listed in subdivision (b) of Section 2282 until the county work plan is approved by the department consistent with the funding appropriated in the Budget Act to the department for local assistance for agricultural plant and animal pest and disease prevention for this purpose.

Appendix B

FOOD AND AGRICULTURAL CODE
SECTION 6303.

(a) It is unlawful for any person, except under written permission from a plant quarantine officer or under his specific direction, to move any lot or shipment of plants or other things to which a warning tag or notice has been affixed pursuant to this division, or to remove, alter, destroy, deface, or mutilate any such warning tag or notice.

(b) If any shipment of plants or things is allowed to transit the state or transit to a given destination county under a quarantine warning-hold notice, the shipment of plants or things shall not be diverted to another destination without the written permission of the director or the commissioner of the destination county.

(c) Diversion of a shipment as described in subdivision (b) is unlawful.

(d) If a shipment of plants or things requires a state or county plant quarantine officer to be present at the destination to supervise the unloading, inspection, or treatment of a quarantine shipment, the director or commissioner, as the case may be, may charge the shipper or receiver a service fee for the cost of the services. Service fees shall be determined based on the director or commissioner's costs for the services rendered.

FOOD AND AGRICULTURAL CODE
SECTION 6401.

It is unlawful for any person to transport, receive, or import into the state any plant or any thing against which a quarantine has been established, or any plant, unless he does both of the following:

(a) Notifies the director or the commissioner of the county in which the plant or thing is received, of the arrival of the plant or thing immediately after its arrival.

(b) Holds the plant, or thing for immediate inspection by the director or commissioner, without unnecessarily moving it, or placing it where it may be harmful.

FOOD AND AGRICULTURAL CODE
SECTION 6403.

The officer who makes the inspection may enter at any time into any conveyance or place within the state where the plant or thing is located to ascertain whether it is, or is liable to be, infested or infected with any pest.

APPENDIX C

COUNTY PEST EXCLUSION PROGRAM

PROGRAM DEFINITIONS

Air Freight: Air cargo shipments inspected at the airport facility or at destination (see next item).

Air Freight/Forwarded: Shipments allowed to proceed to destination or another location for inspection within the same county or to another county and under a warning-hold notice (blue tag) or by compliance agreement authorization.

Bee Colonies: High-risk shipments of bee colonies are defined as those colonies which originate in a red imported fire ant infested state as designated by 7 CFR 301.81 and moving to destination under quarantine hold notice.

High-Risk Shipments: Shipments where there exists a high degree of likelihood that one or more "A" or "Q" rated plant pests will be introduced into or spread within the State by movement or entry of the shipment. "A" and "Q" rated plant pests have been determined to have potential for causing severe damage to the State's agricultural industry, natural resources, or environment, and as such any shipment likely to harbor such pests is considered high-risk. All high-risk shipments are to be inspected. High–risk shipments that should be inspected include such items as cut flowers and nursery stock from quarantine areas, any plant materials in unmarked parcels, and other plant material shipments which have a historical record of "A" and "Q" rated pest interceptions.

Non-high-risk parcels ("Flower of the Month Club" bulbs, bare-root nursery stock from areas which do not represent a serious quarantine risk, plant materials from California origin with nursery certification, etc.) moving through a "high-risk" facility may be monitored via profiling and inspected as time allows during the premise visit. These shipments will not be included as "high-risk" shipments inspected.

High-Risk Pathways: Those facilities where high-risk shipments are regularly or frequently intercepted. The known high-risk pathways include U.S. Postal Distribution Centers, UPS (except local), Federal Express, Air Freight, Air Freight Forwarded, Truck Referrals (oo8a-Gypsy Moth, 008-Plants & 008-Other), Specialty Markets, Swap Meets, Post Entry Quarantine, and "Other" pathways identified in your work plans and approved by the Department.

Inspection Activities: All activities pertaining to the inspection, reconditioning, mitigation and release of shipments.

Nursery Stock: High-risk shipments moving to destination under quarantine hold notice. This does not include blue-tagged intrastate shipments of nursery stock inspected for glassy winged sharpshooters.

Southern States: Those states regulated by State Exterior Quarantine CCR 3271- Burrowing and Reniform Nematode and/or Federal Domestic Quarantine 7 CFR 301.81- Imported Fire Ant.

Appendix D

INSPECTION GUIDELINES FOR AIR FREIGHT/AIR FREIGHT FORWARDED

The County will perform pest exclusion activities approved by the CDFA as described below for Air Freight/ Air Freight Forwarded.

Definitions:

- **Air Freight:** Air cargo shipments inspected at the airport facility.
- **Air Freight Forwarded:** Any shipment that entered the state via air freight and was then forwarded to the destination county with a blue tag. Air freight forwarded to be inspected will include Florida, Hawaii and southern states* nursery stock shipments if arriving in the destination county from an air freight facility with a blue tag.

Pest exclusion activities of Air Freight/Air Freight Forwarded may include, but are not limited to the following:

1. Reviewing invoices for content origin/destination.
2. Checking shipments for quarantine compliance.
3. Rejecting shipments that do not adhere to quarantine compliance.
4. Inspecting for pests (i.e. imported fire ant, Asian citrus psyllid, arthropods, gastropods, and weeds).
5. Sampling for nematodes (less than 100% of all shipments may be sampled for nematodes; the decision to conduct nematode sampling on individual shipments should be based upon nematode detection history of the shipper and pest risk associated with the type(s) of plant material in the shipment).
6. Data entry, sample submissions and reporting as outlined in Scope of Work, sections 2 & 3.
7. Notifying the Interior Pest Exclusion Program of the presence of any significant pest finds, repeat certification violations, etc.
8. Sealing shipments (up to 1% of all shipments may be sent under seal to the receiver with the concurrence of the receiving county; receiving county inspectors shall be present to break the seal and monitor the unloading of all sealed shipments).
9. Reviewing Pest Exclusion Advisories and relevant reports maintained on the CDFA Interior Pest Exclusion Extranet website.

Inspecting shipments of fruits, vegetables, and propagative plant material is the highest priority. Inspecting shipments of cut flowers and greenery is a lower priority. As quarantine areas and commercial channels change, county biologist(s) shall prioritize high-risk inspection activities as appropriate to meet the changing needs.

The County shall determine the time of day and week the inspections are to occur. If a County finds it necessary to deviate from its approved work plan, said County will notify the Interior Pest Exclusion Program of any changes.

*Southern states are considered those states that are regulated by State Exterior Quarantine CCR 3271-Burrowing and Reniform Nematode and/or Federal Domestic Quarantine 7 CFR 301.81-Imported Fire Ant.

Appendix E

GUIDELINES FOR ANT INSPECTIONS

This guideline is to ensure that incoming bee colonies from states infested with the Red Imported Fire Ant (RIFA) are free of RIFA and that mitigation activities take place on all colonies that RIFA is found at the time of inspection. The County will perform pest exclusion activities approved by the CDFA as described below for ant inspections.

Pest exclusion activities for ant inspections may include, but are not limited to, the following:

1. Reviewing quarantine hold notices (008s) issued for incoming bee colonies for origin and destination of shipment and reviewing inspection certificates, if present, that accompany the shipments.
2. Inspecting incoming colonies for RIFA from RIFA-infested states. Inspection protocol described below.
3. Data entry, sample submissions and reporting as outlined in Scope of Work, sections 2 & 3.
4. Notifying the Interior Pest Exclusion Program of the presence of any significant pest finds, shipments arriving without hold notices, etc.

Ant Inspection Protocol:

1. 100% of all bee colonies originating in RIFA-infested states shall be inspected. Ant inspections must be conducted prior to final placement of bee colonies in the field.
2. Bee shipments originating in states not known to be infested with RIFA (Oregon, Washington, etc.) should be inspected at a rate deemed necessary. The inspection rate may be determined by factors such as the origin of the shipment and prior history and experiences with the beekeeper and bee broker.
3. Ideally, inspections should be performed as the bee colonies are being unloaded. The following inspection procedures should be utilized:
   a. Visually scan the top and all four vertical sides of each hive body for ants.
   b. Special attention should be paid to dirt clods associated with the shipment. Dirt clods should be broken open to reveal any ants within.
   c. If the bee colonies are transported on pallets, the interior space between the pallet slats should be examined for dirt clods and debris.
   d. Bee colonies on individual bottom boards should be carefully examined for rotted portions that might harbor ants.
4. Shipments found infested with live RIFA worker ants should be rejected and the shipment or infested colonies must be mitigated. All RIFA-infested bee shipments should be reported to the Interior Pest Exclusion Program as soon as possible.
5. SPAM bait should be used in all areas where bee colonies from RIFA-infested states are placed.

The County shall determine the time of day and week the inspections are to occur. If a County finds it necessary to deviate from its approved work plan, said County will notify the Interior Pest Exclusion Program of any changes.

Appendix F

INSPECTION GUIDELINES FOR NURSERY STOCK

The County will perform pest exclusion activities approved by the CDFA as described below for nursery stock.

Definitions:

- **Nursery stock:** Nursery stock shipments that arrive under quarantine hold notice (008) from Florida, Hawaii and southern states*. All shipments will have entered California via truck through a border station or via ship and then trucked from the port to the destination.

Pest exclusion activities of nursery stock may include, but are not limited to, the following:

1. Reviewing invoices and 008 for content origin/destination.
2. Checking shipping documents for quarantine compliance.
3. Rejecting shipments that do not adhere to quarantine compliance.
4. Inspecting for pests (i.e. imported fire ant, Asian citrus psyllid, arthropods, gastropods, and weeds).
5. Sampling for nematodes (less than 100% of all shipments may be sampled for nematodes, the decision to conduct nematode sampling on individual shipments should be based upon nematode detection history of the shipper and pest risk associated with the type(s) of plant material in the shipment).
6. Data entry, sample submissions and reporting as outlined in Scope of Work, sections 2 & 3.
7. Notifying the Interior Pest Exclusion Program of the presence of any significant pest finds including but not limited to repeat certification violations.
8. Sealing shipments (up to 1% of all shipments may be sent under seal to the receiver with the concurrence of the receiving county; receiving county inspectors shall be present to break the seal and monitor the unloading of all sealed shipments).
9. Reviewing Pest Exclusion Advisories and relevant reports maintained on the CDFA Interior Pest Exclusion Extranet website.

The County shall determine the time of day and week the inspections are to occur. If a County finds it necessary to deviate from its approved work plan, said County will notify the Interior Pest Exclusion Program of any changes.

*Southern states are considered those states that are regulated by State Exterior Quarantine CCR 3271-Burrowing and Reniform Nematode and/or Federal Domestic Quarantine 7 CFR 301.81-Imported Fire Ant.

Appendix G

INSPECION GUIDELINES FOR PARCEL TERMINALS

The County will perform pest exclusion activities approved by the CDFA as described below for parcel terminals.

Definitions:

- **Parcel Terminal**: Federal Express and United Parcel Service facilities in your county.
- **Inspections**: Inspections of incoming high-risk shipments of plant material at terminals to ensure packages are free of actionable pests and properly certified for California entry requirements.

Pest exclusion activities for parcel terminal inspections may include, but are not limited to, the following:

1. Reviewing invoices for content origin/destination.
2. Checking parcels for quarantine compliance.
3. Rejecting parcels that do not adhere to quarantine compliance.
4. Inspecting for pests (i.e. imported fire ant, Asian citrus psyllid, arthropods, gastropods, and weeds).
5. Sampling for nematodes (less than 100% of all shipments may be sampled for nematodes. The decision to conduct nematode sampling on individual shipments should be based upon nematode detection history of the shipper and pest risk associated with the type(s) of plant material in the shipment).
6. Data entry, sample submissions and reporting as outlined in Scope of Work, sections 2 & 3.
7. Notifying the Interior Pest Exclusion Program of the presence of any significant pest finds including but not limited to repeat certification violations.
8. Notifying affected parties of a rejection.
9. Reviewing Pest Exclusion Advisories and relevant reports maintained on the CDFA Interior Pest Exclusion Extranet website.

Inspecting shipments of fruits, vegetables, and propagative plant material is the highest priority. Inspecting shipments of cut flowers and greenery is a lower priority. As quarantine areas and commercial channels change, county biologist(s) shall prioritize pest exclusion inspection activities as appropriate to meet the changing needs.

The County shall determine the time of day and week the inspections are to occur. If a County finds it necessary to deviate from its approved work plan, said County will notify the Interior Pest Exclusion Program of any changes.

CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
A. G. Kawamura, Secretary

DATE: May 3, 2010

TO: All County Agricultural Commissioners

FROM: Plant Health and Pest Prevention Services

SUBJECT: **PEST EXCLUSION ADVISORY NO. 11-2010**
USDA/SITC Referral Form

CDFA is issuing this advisory as an update to Pest Exclusion Advisory No. 27-2009. In an effort to create consistency in reporting federally-actionable pest interceptions to CDFA and to the United States Department of Agriculture (USDA)/Safeguarding, Interdictions, and Trade Compliance (SITC) program, CDFA has developed the attached USDA/SITC Referral Form (SO-155).

This form is to be used when submitting information to USDA/SITC regarding interceptions of federal pests for their investigation. Copies of the USDA/SITC Referral Form should be sent to the appropriate contacts at CDFA and USDA/SITC as outlined in PEA No. 27-2009.

CDFA will require the use of the USDA/SITC Referral Form in both the County Pest Exclusion High Risk contract and Dog Team contract for FY 10/11.

The electronic version of the form is available on the PHPPS Extranet:

Log on at http://phpps.cdfa.ca.gov/user/frmLogon2.asp

Click on **<Program>** at the top of the screen

Click on **<Interior Exclusion>** on the left of the screen

Click on **<Selected Regulatory Forms>** under the heading "Forms"

Select SO-155 **<USDA/SITC Referral Form>** (end of the form list)

For questions regarding this advisory contact Amber Morris at (916) 654-0312 or by e-mail at amorris@cdfa.ca.gov.

CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
A. G. Kawamura, Secretary

DATE: April 6, 2009

TO: All County Agricultural Commissioners

FROM: Plant Health and Pest Prevention Services

SUBJECT: **PEST EXCLUSION ADVISORY NO. 05-2009**
New Monthly High Risk Pest Interception Report

NEW Monthly High Risk Interception Report
A monthly High Risk Pest Interception Report is now available on the Plant Health and Pest Prevention Services extranet web site. This report is generated from a query of the Pest and Damage Record (PDR) database and the Pest Exclusion Information Management (PEIM) database, which contains the Notices of Rejection (NORs).

This monthly report tallies the number of A- and Q-rated pest interceptions and NORs issued by county inspectors as a result of High Risk Pest Exclusion inspection activities **AND** as a result of the inspection efforts of the Dog Teams. To view this report, first log in to this site, then select "Program" from the top menu, then "Interior Exclusion" from the left side bar, then go to the section titled "High Risk Pest Exclusion." For the detailed summary, click on the number of rejections or interceptions corresponding with each county.

This report will enable you to identify the highest risk pathways for pests and for shipments that violate plant quarantines. You may be able to observe trends in pest interceptions and shipping violations, such as violations per shipper or per parcel carrier, or types of violations that occur at certain times of year. Because this report also includes pest interceptions and NORs generated as a result of the Dog Teams, it can also be used to determine at which facilities the Dog Teams are being used most effectively.

The accuracy of the information contained in this monthly report depends on the accuracy of the data that is entered into the PDR and PEIM (NOR data entry system).

The following important data entry methods must be followed whenever you enter a PDR or NOR for either the High Risk Pest Exclusion Program or as a result of the Dog Team inspections:

1. **All Notices of Rejection issued for the High Risk or Dog Team programs must be electronically entered into the PEIM database.** The PEIM program (with complete instructions) is available on the extranet, and must be downloaded onto your county's computer system in order to submit NORs electronically.

   To access the PEIM database and download instructions, first log on to Extranet, then select "Branches" from the left side bar, then choose "Pest Exclusion", then select "PEIM" from the left side bar. Follow download instructions. *If you encounter problems with installation or sending reports, please call the CDFA help desk at (916) 651-4357.*

   The Monthly High Risk Interception report will be created and posted to the extranet on or around the fifth day of every month. All NORs generated during the month should be entered into the PEIM no later than the fifth day of the next month, otherwise they will not appear in the monthly report.

2. The counties currently using the PEIM database to electronically submit their NORs include Alameda, Contra Costa, Fresno, Humboldt, Kern, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Mateo, and Santa Barbara.

   If your county is not currently using the PEIM database to electronically submit your NORs, please fax all NORs (only those issued for High Risk Pest Exclusion or Dog Team activities) DAILY to Interior Pest Exclusion at (916) 654-0986. The Interior Pest Exclusion staff will enter all NORs received via FAX until June 30, 2009. After that date, any NOR that is not issued electronically by the issuing county will not be included in the Monthly High Risk Interception Report.

3. **A new box, titled "Dog Team" is under development on the PEIM database. This box will appear on the second page of the NOR data entry form.** Once this box becomes available, it should always be selected when the rejection is being issued as a result of efforts by any of the Dog Teams. You will be notified when this new feature is available. You will then need to re-install the PEIM program on your computer.

   Until this new feature is available, please type the words "Dog Team" in the comment section of the NOR data entry form if the rejection is being issued as a result of the efforts of any Dog Team. Note that the exact spelling and spacing of these words is critical.

4. When filling out an electronic **Pest and Damage Record** (PDR) for pests intercepted during High Risk Pest Exclusion inspections or as a result of the Dog Team efforts, always use one of the following selections from the "Program" pull-down menu:

   - High Risk
   - Dog Team

   Selecting one of these options will ensure that all quarantine pests intercepted as a result of High Risk Pest Exclusion or Dog Team activities are included in the Monthly High Risk Interception report.

   For questions regarding the new High Risk Interception Report, please contact any Interior Pest Exclusion biologist by phone at (916) 654-0312 or wwilkinson@cdfa.ca.gov or calbrecht@cdfa.ca.gov.

   For questions regarding the PEIM database (download or installation questions), please contact the CDFA Help Desk at (916) 651-4357.

Appendix I

STATE OF CALIFORNIA
DEPARTMENT OF FOOD AND AGRICULTURE
PLANT HEALTH AND PEST PREVENTION SERVICES
PEST EXCLUSION BRANCH

NOTICE OF REJECTION

Form 66-071 (6/2002)

TIME IN	DATE IN	I.D. NUMBER
TIME OUT	DATE OUT	PDR NUMBER

SHIPMENT
☐ ENTIRE ☐ COMMERCIAL
☐ PORTION ☐ E-COMMERCE

MATERIAL RECEIVED VIA

VEHICLE LICENSE NUMBER

MATERIAL REJECTED AND QUANTITY

QUANTITY:

ORIGIN OF MATERIAL (GROWN IN)

1 :

REASON FOR REJECTION AND COMMENTS

SHIPPER (NAME AND ADDRESS)	PHONE:
	FAX:
RECEIVER (NAME AND ADDRESS)	PHONE:
	FAX:
CARRIER (NAME AND ADDRESS)	DRIVER: / DRIVER LICENSE: / BIRTHDATE: / DESTINATION COUNTY:

*** NOTICE TO SHIPPER ***

MATERIAL WILL BE DISPOSED OF UNLESS AT YOUR OPTION, EXPENCSE, AND RISK AGREE TO:

- ☐ RETURN TO SHIPPER
- ☐ SHIP OUT OF STATE
- ☐ AUTHORIZE TREATMENT
- ☐ OBTAIN NECESSARY CERTIFICATE OR PERMIT
- ☐ OTHER

STATE PLANT QUARANTINE OFFICER

ADDRESS

TELEPHONE / FAX

BORDER STATION / COUNTY

COPIES TO:

- ☐ SHIPPER
- ☐ RECEIVER
- ☐ CARRIER
- ☐ FILE
- ☐ AG. COMM. AT DESTINATION
- ☐ AG. OFFICIAL - SHIPPING ORIGIN
- ☐

"WHY WAS THIS MATERIAL REJECTED?" PESTS NOT ALREADY PRESENT IN CALIFORNIA CAN ADD GREATLY TO THE PRICE YOU ARE NOW PAYING FOR YOUR FOOD. HELP US TO HELP YOU BY KEEPING UNWANTED PESTS OUT OF CALIFORNIA.

DRIVER'S SIGNATURE: I. AGREE TO COMPLY WITH ALL TERMS OF THIS REJECTION. DATE:

Final Disposition:

Appendix J

STATE OF CALIFORNIA
DEPARTMENT OF FOOD AND AGRICULTURE
PLANT HEALTH AND
PEST PREVENTION SERVICES

PEST AND DAMAGE RECORD

65-020 (11/2002)

PDR NUMBER

Date collected

Lab ☐ ENTO ☐ PLANT PATH ☐ NEMA ☐ SEED ☐ BOTANY ☐ VERT

Time

NOR Number:

Number of samples:

Location

Activity

Situation

Section

Township N S

Range E W

Base and meridian H M S

Owner/receiver

Name

Address/physical description

City | State | Zip code

County

Phone | Fax | Latitude

E-mail | Longitude

Cross street

Quarantine destination

Collector

Affiliation F S C E U O Describe other

Quarantine shipper/broker

Name

Address

City | Zip code

State/Country

Phone | Fax | Latitude

E-mail | Longitude

Quarantine origin (where host grown)

City | County | State/Country | Zip code

Carrier (ground/air/maritime)

Business name | Flight number

License plate | License state | Tail/ship number

Shipment size (include units) | Program

Submitter remarks

Suspect:

Send report to

General or Plant Pathology

Number of ☐ plants ☐ acres involved:

☐ Number ☐ Percent of plants affected:

Plant distribution: ☐ Limited ☐ Scattered ☐ Widespread ☐ Eradicated

Plant parts affected

☐ Bark ☐ Bulbs or corms ☐ Leaves, upper surface
☐ Blossoms ☐ Fruit or nuts ☐ Petiole ☐ Stem
☐ Branches, large ☐ Growing tips ☐ Rootlets ☐ Trunk
☐ Branches, terminal ☐ Large roots ☐ Seeds ☐ Tubers
☐ Buds ☐ Leaves, lower surface

Plant symptoms ☐ Limited ☐ General

☐ Canker ☐ Gumming ☐ Malformation ☐ Slow decline
☐ Die back ☐ Internal discoloration ☐ Marginal burn ☐ Stunting
☐ Fruit rot ☐ Leaf fall ☐ Root rot ☐ Sudden collapse
☐ Fruit spot ☐ Leaf mottling ☐ Rough bark ☐ Wilting
☐ Galls ☐ Leaf spot ☐ Shot hole ☐ Yellowing

Weed or Vertebrate

Acreage: Net Gross

Entomology

Trap number | Grid number | Last service date | Latitude

Trap type | Trap density per | Longitude

Total pest count or number per (sweep, leaf, acre, trap, root, stem, etc) | Survey method

Count: per

Conditions ☐ Dead ☐ Alive ☐ Unknown

Stages ☐ Egg ☐ Larva ☐ Nymph ☐ Pupa ☐ Adult

Sample

Lot number | Nema type (raw, vial, slide):

Host/crop name

Common name | Type (plants, fruit, seeds)

Scientific name | Quantity | Units

Container size | Container units

Nema field block: commercial foundation increase

Determination | Rating

PDR NUMBER

Determined by: | Date:

Agreement No. 11-0114
Exhibit A
Attachment 2
Page 15 of 16

New Report 4a

Monthly Report of County High Risk Pest Exclusion Activities
County: Sacramento
Report Period: March 2011

Note: Please use the "tab" key or mouse to navigate the form, not the "enter" key.

TYPE	Premise Visits	Shipments Inspected	NORs	Pest Rejections	Hours
CA Overnight					
DHL					
FedEx					
FedEx Ground					
Post Office					
UPS					
Air Freight					
Air Freight Forwarded					
Gypsy Moth					
Southern State 008					
Hawaii 008					
Truck - Plant					
Beehives					
Specialty Markets					
Swapmeets					
Post Entry					
Other 1					
Other 2					
TOTAL HOURS					
COMMENTS					

Submit Cancel Calculate totals

(County Letterhead)

Appendix L

Agreement No. 11-0114
Exhibit A
Attachment 2
Page 14 of 14

California Department of Food and Agriculture
Plant Health and Pest Prevention Services
Attn: Steve Koehler
1220 N Street, Rm 325
Sacramento, CA 95814

County Pest Exclusion
Contract #
Budget Display FY 2011/2012
Invoice for Period from 07/01/2011 to 06/30/2012

Personnel Services

Name/Classification	Hours	Hourly Rate	Total Salaries	Totals
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
	0.00	0.00	0.00	
Total Hours	0.00	Total Salaries	0.00	
			Total Personnel Services	0.00
			Indirect (up to 25% of Personnel Services)	0.00
			Total:	0.00

Contract Amount	0.00
Billed to Date	0.00
Balance	0.00

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, Grant, Sub-Grant or Agreement recipient for actual expenditures incurred in accordance with this Agreement and stated herein, which is attached hereto and made a part of this Agreement or Grant.

   Original invoices shall include the agreement/contract number, dates of service, type of work performed, and when applicable, a breakdown of the costs of parts and materials, labor charges, and any other relevant information required to ensure proper invoices are submitted for payment. Invoices shall be itemized to follow the allowed expenses outlined in the agreement/contract budget and Scope of Work documents.

   B. Unless mutually agreed, monthly invoices must be submitted within 60 days from the end of each month in which services were rendered. Invoices must include the Agreement number and submitted in triplicate to the Program Contract Manager listed in this contract.

   C. Any travel and subsistence payments authorized under this agreement shall be paid as needed to execute the work. The maximum travel rates allowable are those established in Title 2, Division 1, Chapter 3, Subchapter 1, Article 2 of the California Code of Regulations 599.619.

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

CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
Karen Ross, Secretary

COUNTY HIGH RISK PEST EXLCUSION

WORK PLAN

FY 2011/2012

County: Los Angeles	Cost per Hour Date:	$70.59 5/23/2011
	Estimated Hours/Year	Estimated Annual Cost
Work plan activities are inclusive of all activities defined in the Scope of Work	21,902.80	$1,546,118.65
Total	**21,902.80**	**$1,546,118.65**

JC

EXHIBIT C
(County Agreement)

GENERAL TERMS AND CONDITIONS GTC 610

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 (e.g., 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.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

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 subject to 30 days written notice to the Contractor. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein.

However, the agreement can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.

This agreement may be suspended or cancelled without notice, at the option of the Contractor, if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantial damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by a state agency directly impacting the Contractors ability to perform.

EXHIBIT E

ADDITIONAL PROVISIONS

SUBCONTRACTORS
Contractor shall obtain prior approval from CDFA before hiring subcontractors, consultants or both. The total amount of all subcontracts shall not exceed $50,000 or 25% of the total amount of the contract, whichever is less, unless the Contractor can provide certified documents that award was made through a competitive bidding process requiring at least three bids from responsible bidders.

All subcontractors identified shall be experts in their respective disciplines and capable of performing the tasks for which they were hired. Subcontractors shall have extensive experience in their area of expertise, with particular emphasis on prior experience on similar programs or projects that clearly illustrate their expertise in areas essential to the Contractor and to CDFA.

INSURANCE REQUIREMENTS – Contractor shall comply with all requirements outlined in the (1) General Provisions section and (2) Contract Insurance Requirements outlined in this section. No payments will be made under this contract until contractor fully complies with all requirements.

1. **General Provisions Applying to All Policies**
   a. Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must comply with the original contract terms.

   b. Policy Cancellation or Termination & Notice of Non-Renewal – Insurance policies shall contain a provision stating coverage will not be cancelled without 30 days prior written notice to the State. New certificates of insurance are subject to the approval of the Department of General Services and the Contractor agrees no work or services will be performed prior to obtaining such approval. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.

   c. Premiums, Assessments and Deductibles – Contractor is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.

   d. Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.

   e. Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least "A–" with a financial category rating of no lower than VI. If the Contractor is self insured for a portion or all of its insurance, documentation of self-insurance must be submitted and approved by the Department of General Services, Office of Risk and Insurance Management.

   f. Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

   g. Inadequate Insurance – Inadequate or lack of insurance does not negate the contractor's obligations under the contract.

   h. Use of Subcontractors - In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insured's under Contractor's insurance or supply evidence of subcontractor's insurance to The State equal to policies, coverages, and limits required of Contractor.

- The policy must name **The County and State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract**.

2. Contract Insurance Requirements

Prime Contractor Insurance Requirements
Contractor shall display evidence of the following on an Acord certificate of insurance or documentation of self insurance on county letterhead evidencing the following coverages:

a. Commercial General Liability – Contractor shall maintain general liability on an occurrence form with limits not less than $1,000,000 per occurrence for bodily injury and property damage liability combined with a $2,000,000 annual policy aggregate. A "per project aggregate" endorsement is required. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability.

   - The policy must name **The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract**.

b. Automobile Liability – Contractor shall maintain business automobile liability insurance for limits not less than $1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. Should the scope of the Contract involve transportation of hazardous materials, evidence of an MCS-90 endorsement is required.

c. Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. In addition, employer's liability limits of $1,000,000 are required.