



AGREEMENT NUMBER 05-0291
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 San Mateo
2. The term of this Agreement is: July 1, 2005 Through June 30, 2006
3. The maximum amount of this Agreement is: **\$317,704.51**
 Three Hundred Seventeen Thousand Seven Hundred Four Dollars and Fifty-one 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 - Seed Services Program, 5 pages | |
| Attachment 2 - Nursery Stock Inspection, 1 page | |
| Attachment 3 - Sudden Oak Death, 9 pages | |
| Attachment 4 - High Risk, 7 pages | |
| Exhibit B – Budget Detail and Payment Provision | 1 Page(s) |
| Exhibit C – General Terms and Conditions – GTC 304 | 3 Pages |
| Check mark one item below as Exhibit D: | |
| <input checked="" type="checkbox"/> Exhibit D-Special Terms and Conditions
(Attached hereto as part of this Agreement) | 1 Page(s) |
| <input type="checkbox"/> Exhibit D*-Special Terms and Conditions | |

5. Name of Program: Pest Exclusion County Work

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

CONTRACTOR	
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) County of San Mateo	
BY (Authorized Signature) 	DATE SIGNED
PRINTED NAME AND TITLE OF PERSON SIGNING Richard S. Gordon, President, Board of Supervisors	
ADDRESS 728 Heller Street, P.O. Box 999, Redwood City, CA 94064-0999	
STATE OF CALIFORNIA	
AGENCY NAME DEPARTMENT OF FOOD AND AGRICULTURE	
BY (Authorized Signature) 	DATE SIGNED
PRINTED NAME AND TITLE OF PERSON SIGNING PAULA LEWIS, ACQUISITIONS MANAGER	
ADDRESS 1220 N STREET, ROOM 115, SACRAMENTO, CA 95814	

California Department of General Services Use Only

Exempt per:

EXHIBIT A

SCOPE OF WORK

1. Contractor agrees to provide the services described herein:

The County shall provide services for the following Pest Exclusion Programs, Seed Services Program, Nursery Stock Inspections, Sudden Oak Death, and High Risk Activities. This work shall be according to and as determined by various California Code of Regulations and various Food and Agriculture Codes.

2. The contract managers for this Agreement are:

FOR THE COUNTY OF SAN MATEO

Name:	Gail M. Raabe
Section/Unit:	County Commissioner
Address:	728 Heller Street/PO Box 999
City/Zip:	Redwood City, CA 94064-0999
Phone:	650/ 363-4700

FOR THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

FOR THE SEED PROGRAM	FOR THE NURSERY PROGRAM
Name: John Heaton	Name: Charlotte Vermeulen
Section/Unit: Nursery Program	Section/Unit: Nursery Program
Phone: 916/ 654-0435 x 3017	Phone: 916/ 654-0435 x 3609

FOR SUDDEN OAK DEATH	FOR HIGH RISK ACTIVITIES
Name: Marcie MacFarland	Name: Donnie Ereveillo
Section/Unit: Interior Program	Section/Unit: Interior Program
Phone: 916/ 654-0317	Phone: 916/ 654-0312

THE DEPARTMENT OF FOOD AND AGRICULTURE	
Address:	Pest Exclusion Branch 1220 N Street, 3rd floor
City/Zip:	Sacramento, CA 95814

The County will be reimbursed for the following programs.

THE SEED PROGRAM - to be paid Pursuant to the Food and Agriculture Code Sections 52323-52325

THE NURSERY PROGRAM - \$8,061.37

SUDDEN OAK DEATH - \$80,000.14

HIGH RISK PROGRAM - \$229,643.00

Total contract amount \$317,704.51

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

SEED SERVICES PROGRAM
COUNTY SUBVENTION

WITNESSETH: that the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State hereinafter expressed, does hereby agree to furnish to the State all services, materials, labor and equipment necessary to perform the work required under this Agreement.

The Department, as provided in Section 52323, Food and Agricultural Code, shall pay annually, in arrears, up to one hundred twenty thousand dollars (\$120,000), to counties as a subvention for cost incurred in the enforcement of the California Seed Law.

This agreement is made and entered into as provided by Section 52325, Food and Agricultural Code by and between the County Agricultural Commissioner (hereafter called Commissioner) and the Department of Food and Agriculture (hereafter called Department).

The term of this Agreement shall be for the period of July 1, 2005 through June 30, 2006 for work completed in July 1, 2005 through June 30, 2006.

The total amount payable to the counties under this agreement shall not exceed \$120,000, which shall be apportioned to the counties on the basis of units of activity. If needed, the individual amount apportioned to any particular county can be adjusted by an incremental amount reflective of the total units of activity reported by all participating counties according to the terms of the agreement.

The parties agree to comply with the terms and conditions of the following Exhibits, which by this reference are made a part of this Agreement:

- Exhibit A – Scope of Work
- Exhibit B – Annual Memorandum of Understanding
- Exhibit C – Performance Measures
- Exhibit D – Payment Special Terms and Conditions

The CDFA project manager during the term of this Agreement shall be John Heaton, 1220 N Street, Room A-372, Sacramento, California 95814. The telephone number is (916) 654-0435.

(See next page for Exhibit A, Scope of Work.)

EXHIBIT A

SCOPE OF WORK FOR 2005-2006

- The Commissioner agrees to enforce Chapter 2, Division 18, of the Food and Agricultural Code, known as the California Seed Law, and perform enforcement activities necessary to maintain a statewide compliance level of 85 percent on all agricultural and vegetable seed in the County. This statewide compliance level is subject to review by the Department, and adjustments, if needed, will be made after consultation with the California Agricultural Commissioners and Sealers Association.
- The Commissioner agrees that the subvention amount shall be annually apportioned, as provided by Section 52324. The apportionment shall be based upon the units of activity generated by registered seed labeler operations, prior year performance of enforcement activities and shall be set forth annually in a Memorandum of Understanding identified as Exhibit A and by this reference made a part hereof.
- The Commissioner agrees to report monthly enforcement activity on Division of Plant Health and Pest Prevention "Seed Inspection form, Report Number 6".
- The Commissioner agrees to forward to the Department, on or before October 15, 2006, a summary of locations inspected and dates of inspection for the prior fiscal year, 2005/06.
- The Commissioner agrees that inspection of registered seed labeler operations and determination of label compliance shall be the units of enforcement activity used to monitor the Memorandum of Understanding "Exhibit B" and the Performance Standards "Exhibit C" and to determine the annual apportionment.
- The Commissioner additionally agrees, that upon completion of the review and evaluation process of work completed, the Department shall calculate and prepare an invoice that will, upon signing by both parties, amend the contract from \$0.00 to the apportionment.

EXHIBIT B

ANNUAL MEMORANDUM OF UNDERSTANDING

On or before September 15, 2006, the Department shall establish, in a Memorandum of Understanding, the total units of activity and apportionment as follows:

1. After discussion with the Commissioner, each registered seed labeler operation within the County will be assigned from one (1) to four (4) units of activity. Assigned units of activity take into consideration the number of lots and kinds of seed labeled by the operation within the County.
2. Assigned units of activity are then totaled for the County.

EXHIBIT C**PERFORMANCE STANDARDS**

The Commissioner agrees that the subvention amount received shall be based on annual performance of enforcement activities necessary to carry out the California Seed Law. These standards are:

1. Inspection of premises and seed lots - One (1) or more inspections of each Registered Seed Labeler operation or Distribution Center listed on a County's Units of Activity will be conducted. Inspection of locations where seed is offered for sale but not listed on the Units of Activity is encouraged.
2. Label Compliance - Three or more labels will be evaluated per unit of activity. Because of differences in operations, checking for label compliance may be averaged for all locations within the County.
3. In order to assist the seed industry in achieving and maintaining compliance with the California Seed Law, labels on the following types of seed should be given priority.
 - a. Agricultural and vegetable seed grown, conditioned, packaged, or repackaged at local operations.
 - b. Agricultural and vegetable seed of kinds utilized by farm plantings within the County.
 - c. Grass (lawn) seed kinds are limited annually to not more than fifteen (15) labels from a single Distribution Center, and not more than five (5) labels, from each County of grass seed offered for sale by retail merchants for nonfarm use.
4. Stop-sales may be issued on seed labeled incorrectly or incompletely at inspection time. Stop-sales are encouraged on seed labeled by firms not registered to sell seed in California. Border Inspection Reports, also known as 008 Reports, should be reviewed to determine if the shipper and or receiver of seed is authorized to sell seed in California. Unauthorized sellers of regulated seed should be reported to the Seed Services Program.
5. Identify and report to Seed Services any new or previously unidentified seed labeling or selling operations in the county.
6. Assist growers and seed sellers by providing information about the mandatory dispute resolution process provided by Seed Services.
7. Participate in seed complaint investigations and on Investigative Committees when necessary.
8. Upon approval of arbitration procedures for seed complaints by the legislature, participate on arbitration panels when necessary.

EXHIBIT D
PAYMENT
SPECIAL TERMS AND CONDITIONS

Payment of the apportionment shall be made in arrears upon completion of the fiscal year.

1. All participating counties will receive not less than one hundred dollars (\$100), including counties with no units of activity (Minimum counties).
2. The dollar rate per unit of activity is determined by dividing the funds available for subvention (less the total minimum for each participating County) by the total statewide units of activity.
3. The apportionment that may be received is one hundred dollars (\$100) plus the County's total assigned units of activity times the dollar rate per unit of activity for the fiscal year.
4. Counties meeting or exceeding the performance standards* will received the full apportionment as set forth in the annual Memorandum of Understanding or may receive an apportionment based on the dollar rate per label evaluated, whichever amount is greater.
5. Counties failing to meet the performance standards may receive less than the full apportionment. The Department, as provided in Section 52325 (b), may withhold a portion of the funds if performance standards have not been met. Reductions of the apportionment may be based on the dollar rate per label evaluated. In no case will a participating County receive less than one hundred dollars (\$100).
6. The dollar rate per label evaluated is determined by dividing the funds available for subvention (less the total minimum for each participating County) by the total label evaluated statewide.
7. The penalty (less) for failing to inspect an assigned location is the dollar rate per label evaluated, times 3, times the units of activity assigned to the location.
8. The payment that may be received based on the performance of enforcement activities is one hundred dollars (\$100) plus the County's total labels evaluated times the dollar rate per label evaluated except as otherwise provided. Labels evaluated in the fiscal year ending June 30, 2006 but documented with the Seed Services Program after August 10, 2006 will be applied toward the next fiscal year.
9. A summary of the enforcement activities (including details of the labels evaluated) and an evaluation of the work performed by the County will be prepared by the Department and forwarded, on or before December 15, 2006, for review by the County.
10. Upon acceptance and return to the Department by the County, the apportionment will be calculated and the invoice forwarded to the County for signature.

*Counties may receive credit for extra labels evaluated if the statewide subvention is less than \$120,000.00 based on the total units of activity reported by all counties.



STATE OF CALIFORNIA
 DEPARTMENT OF FOOD AND AGRICULTURE
 PLANT HEALTH AND PEST PREVENTION SERVICES
 68-019 (Rev. 09/05)

REPORT NUMBER 6

SEED INSPECTION REPORT

SUBMIT MONTHLY

COUNTY:	MONTH/YEAR:
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I ENFORCEMENT OF THE CALIFORNIA SEED LAW					
ACTIVITY		NUMBER	HOURS		
PREMISES INSPECTED					
LOTS INSPECTED					
STOP-SALE ORDERS ISSUED					
STOP-SALE ORDERS RELEASED					
NEW LABELERS IDENTIFIED OR REGISTERED					
LABELS EVALUATED					
SEED COMPLAINTS					
BORDER INSPECTION REPORTS WITH SEED SHIPMENTS EVALUATED					
LEGAL ACTION					
HEARINGS				COURT ACTION	
OFFICE	DIST. ATTY.			CITATIONS	CONVICTIONS
TOTAL HOURS SEED LAW ENFORCEMENT			0		

II SEED CERTIFICATION			
ACTIVITY		NUMBER	HOURS
SAMPLES DRAWN			
CERTIFIED MILLS INSPECTED			
HARVESTERS AND FIELD EQUIPMENT INSPECTED			
INTERCOUNTY PERMITS ISSUED			
TOTAL HOURS SEED CERTIFICATION		0	0

III MISC. ACTIVITY			
ACTIVITY		NUMBER	HOURS
SAMPLES DRAWN, SERVICE			
SAMPLES DRAWN, US CUSTOMS			
TOTAL HOURS MISC. ACTIVITY		0	0

* Report Annual Cost Under Item 12, Annual Financial Statement

County of San Mateo

SCOPE OF WORK

Contractor agrees to provide to the California Department of Food and Agriculture (CDFA) all equipment and labor necessary to perform inspection and enforcement activities. The activities under this Agreement shall be completed within the timeframe outlined. Contractor shall inspect all nursery stock at all producer/wholesale nursery locations within the County. (Specifically not included is nursery stock in the first year of a two-year production cycle, plant materials in parent stock or propagative stock beds or blocks that are not to be inspected and nursery stock that is entered in one of the State's registration or certification programs and is inspected by State staff). Contractor to enforce all laws and regulations pertaining to nursery stock, including licensing requirements, in accordance with the Memorandum of Understanding between CDFA and the California Agricultural Commissioners and Sealers Association entitled "State-County Nursery Inspection Program". Contractor shall respond to complaints against retail nursery establishments.

The amount payable under this agreement shall not exceed \$8,061.37 based on 382.96 reimbursable acres as reported by the Contractor. Contractor shall be paid on a per acre basis for inspection and enforcement activities at a rate of \$12.31 per reimbursable acre. [Contract acres = "Type 1" acres plus (1/4 x "Type 2" acres and 1/4 x "Type 4" acres).]

In addition, Contractor shall be paid \$50.00 for each new license secured and verified by inspection by the Contractor and \$50.00 for each renewed forfeited (delinquent) license secured by the Contractor. In addition, Contractor shall be paid a current hourly staff rate, not to exceed \$35.00 per hour, for nursery investigative work, provided such investigative work is approved in advance by the CDFA Nursery Program.

Payment shall be made quarterly in arrears upon submission and approval of an itemized invoice. Contractor shall submit an itemized invoice in arrears, in triplicate, referencing Contract Number 05-0291 and sent to:

California Department of Food and Agriculture
Pest Exclusion Branch
Nursery, Seed, and Cotton Program
Attention: Patrick Thalken
1220 N Street, Room A-372
Sacramento, California 95814

This agreement shall not be considered effective unless signed by both parties and approved by the Department of General Services, if required.

Scope of Work

Sudden Oak Death Contracts for Quarantined Counties July 1, 2005-June 30, 2006 FY 2005/2006

The Contractor agrees to perform regulatory enforcement activities in support of the state Oak Mortality Disease Control regulation (California Code of Regulations, Division 4, Chapter 4, Subchapter 6, Section 3700), the federal Phytophthora ramorum regulation (Code of Federal Regulations, Section 301.92) and the Federal Order restricting interstate movement of nursery stock from California, Oregon, and Washington nurseries (December 21, 2004).

For each county, the scope of work associated with the enforcement of the state and federal regulations will include, as appropriate, the activities described below:

Federal Quarantine and Emergency Federal Order Enforcement Activities

Wholesale Nurseries with Host Material (Exhibit B)

- Activities:
- 1) Annual inspection of host plants including mandatory testing of at least 40 symptomatic or non-symptomatic samples
 - 2) Per-shipment or 30-day visual inspection of host plants and testing of symptomatic material
 - 3) Monitor compliance with soil regulation
 - 4) Annual visual inspection of "associated host" plants
 - 5) Trace-forward/ Trace-back investigations
 - 6) Eradication activities

Wholesale Nurseries with Non-Host Material in Soil (Exhibit J)

- Activities:
- 1) Annual inspection of "associated hosts", if applicable
 - 2) Monitor compliance with soil regulation

Wholesale Nurseries with Non-Host Material

- Activities:
- 1) Annual inspection for Phytophthora ramorum symptoms

Wood Products (Logs, Lumber, Firewood)

- Activities:
- 1) Perform inspections and issue certificates upon request or,
 - 2) Monitor compliance of regulated entities under compliance agreement

Soil

- Activity:
- 1) Perform inspections and issue certificates upon request or,
 - 2) Monitor compliance of regulated entities under compliance agreement

Wreathes, Garlands, and Greenery

- Activity:
- 1) Monitor treatment and issue certificate or,
 - 2) Monitor compliance of regulated entities under compliance agreement

Christmas Trees

- Activities:
- 1) Annual inspection of host plants including mandatory testing of at least 40 symptomatic or non-symptomatic samples
 - 2) Per-shipment or 30-day inspection of host plants and testing of symptomatic material

State Quarantine Enforcement Activities

Wholesale Nurseries Shipping Exclusively within the Quarantine Area

- Activities: 1) Annual visual inspection of host and associated host plants
2) Monitor compliance of infested nurseries under departmental permit if applicable

Wholesale Nurseries with Host Plants

- Activities: 1) Annual inspection of host plants including mandatory testing of at least 40 symptomatic samples
2) Per-shipment or 30-day inspection of host plants and testing of symptomatic material
3) Annual visual inspection of "associated host" plants

Wood Products

- Activity: 1) Monitor compliance

Wreathes, Garland, and Greenery

- Activity: 1) Monitor treatment option outlined in the federal regulation or monitor compliance with transshipping compliance agreement

Green Waste Origin Facility and Transporters

- Activity: 1) Monitor compliance of facility and transporters

Compost

- Activity: 1) Monitor compliance with treatment protocol

Christmas Trees

- Activity: 1) Annual inspection of host plants and testing of at least 40 symptomatic samples

Additional Non-Mandatory Activities

When time and resources allow, the following non-mandatory activities may be performed. Enforcement related activities must take precedence over the following activities:

Public Outreach/Education

- Activity: 1) Educate the public and regulated entities about regulations and best management practices
2) Respond to public inquiries

Survey/Monitoring

- Activity: 1) Monitor and/or survey for disease in retail nurseries, urban and wild land areas to support delimitation activities

Staff Training

- Activity: 1) Participate in relevant training sessions

Administrative Support

Reporting Requirements

The County shall submit monthly an itemized invoice (Attachment 3, Page 4), on County letterhead, and a completed Monthly Report (sample below). Send itemized invoices and monthly reports to:

The Department of Food and Agriculture
 Attn: Marcie MacFarland
 Plant Health Administration
 Sudden Oak Death Program
 1220 N Street, Room A-316
 Sacramento, CA 95814

COUNTRY:		DATE:	YEAR:	
FACILITY	ACTIVITY	NUMBER	HOURS	
Nursery				
	Exhibit B- Annual Inspection			
	30-day Inspection			
	Random Compliance Monitoring			
	Trace Forward/Trace Back			
	Exhibit J- Non-Host Plants with Soil			
	Non-Host Shipper Inspections			
	Eradication- Certified Nursery Protocol/ Retail Nursery Protocol/ Voluntary Destruction			
Green Waste				
	Compost treatment monitoring			
	Origin facility compliance monitoring			
	Transporter compliance monitoring			
Wood Product				
	Ongoing compliance monitoring			
Wreathes, Garlands, and Greenery				
	Ongoing compliance monitoring			
Soil				
	Ongoing compliance monitoring			
	Site Inspection			
Christmas Trees				
	Annual Inspection/ Testing			
Other				
	Public Outreach/Education			
	Training			
	Survey/Monitoring			
	Administrative Support			
		TOTALS:		
Vehicles		TOTAL MILEAGE:		

California Department of Food and Agriculture
Attn: Marcie MacFarland
1220 N Street, Rm A-316
Sacramento, CA 95814

SOD- Quarantined Counties
Contract #
Budget Display FY 2005/2006
Invoice for Period from 00/00/00 to 00/00/00

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	
	0.00	0.00	0.00	
Total Hours	<u>0.00</u>	Total Salaries	<u>0.00</u>	
		Total Personnel Services		<u>0.00</u>
		Indirect (25% of Personnel Services)		<u>0.00</u>
		Total Personnel Costs:		<u>0.00</u>

Operating Expenses

Communication			0.00
Training			0.00
Administrative Support			0.00
Supplies			0.00
Total Operating Expenses:			<u>0.00</u>

Vehicle Usage	Miles	Rate	
Vehicle Mileage (\$0.34/per mile)	0.00	0.34	0.00
Total Mileage Cost:			<u>0.00</u>

Total Operating Expenses		<u>0.00</u>
Grand Total:		<u>0.00</u>

Contract Amount	0.00
Billed to Date	0.00
Balance	0.00

EXHIBIT B- NURSERY STOCK

Provisions for the Intrastate and Interstate Movement of Regulated Articles of Nursery Stock:

Establishment agrees to the following:

1. Annual Inspection

Establishment shall allow the Project to perform an annual inspection and sampling on regulated host and associated host plants in accordance with 7 CFR 301.92-11 (a) (1) – (4).

2. Individual Shipment Inspection

Prior to moving regulated host and associated host plants out of the quarantined area, Establishment shall allow the Project to perform an inspection and sampling of individual shipments or specific lots of regulated host and associated host plants in accordance with 7 CFR 301.92-11 (b) (1)-(3).

3. 30-days Shipping Per Inspection

Establishment may move regulated host and associated host plants out of the quarantined area from the date the inspection is completed and for a period of up to 30 days thereafter (or less if specified by the Project) when the regulated host and associated host plants have been inspected in accordance with Provisions 1 and 2 above.

Establishment may move regulated host and associated host plants, originating from other sources, out of the quarantined area within the 30-day inspection period under the following conditions:

- A) The regulated host and associated host plants originated outside the states of California, Oregon and Washington, and are accompanied by a receipt or bill of lading, or
- B) The regulated host and associated host plants originated in the states of California, Oregon, or Washington, and are accompanied by a federal or state quarantine certificate for *Phytophthora ramorum*, or
- C) The uncertified* regulated host and associated host plants originated in the regulated area of California and are not moved **interstate**.

Individual shipments or specific lots of regulated host and associated host plants that are not shipped within the 30-day inspection period must be inspected in accordance with Provision 2, prior to being moved out of the quarantined area.

4. Restriction on Sources of Regulated Plants

Establishment may only receive regulated host and associated host plants from other sources under the following conditions:

EXHIBIT B- NURSERY STOCK

- A) The regulated host and associated host plants originated outside the states of California, Oregon, and Washington, and are accompanied by a receipt or bill of lading, or
- B) The regulated host and associated host plants originated within the states of California, Oregon, and Washington, and are accompanied by a federal or state quarantine certificate for *Phytophthora ramorum*, or
- C) The uncertified* regulated host and associated host plants originated in the regulated area and they are not moved interstate, or
- D) The uncertified* regulated host and associated host plants originated within quarantined area, and:
 - 1) The Establishment notifies the Project within one working day of receipt of the shipment, and
 - 2) The Establishment safeguards, segregates, and holds the regulated host and associated host plants off-sale until they are inspected and released by the Project, and
 - 3) **The uncertified* regulated host and associated host plants shall not be moved out of the quarantined area.**

5. Maintain Identity

Establishment shall maintain the identity of all regulated host and associated host plants that are in compliance with Provisions 1 and 2, above. Establishment shall maintain the identity of all regulated host and associated host plants that originated from other sources that are in compliance with Provisions 3A, 3B, and 3C.

6. Quarantine Certification

The Establishment shall ensure that appropriate quarantine certification accompanies regulated host and associated host plants moved out of the quarantined area. Regulated plants may only be moved out of the quarantined area when in accordance with the above provisions and 7 CFR 301.92-8.

Establishment may provide appropriate quarantine certification for regulated host and associated host plants moved within the quarantined area from the date the inspection is completed and for a period of up to 30 days thereafter (or less if specified by the Project) when the regulated articles have been inspected in accordance with Provisions 1 and 2 above.

7. Records

Establishment shall maintain production records or records of receipt for all regulated host and associated host plants moved out of the quarantined area. Establishment shall maintain records, as directed by the Project, on each shipment of regulated host and associated host plants moved out of the quarantined area. Establishment shall provide such records to the

EXHIBIT B- NURSERY STOCK

Project Officer once every 30 days, or as specified by the Project Officer. Establishment shall allow the Project perform periodic inspections to verify compliance with this Provision.

8. Infected Nursery Stock

If any regulated host or associated host plant within a nursery is found to be infected with *Phytophthora ramorum*, Establishment shall not move any regulated host and associated host plants out of the quarantined area until such time as the Project can determine that the nursery is free of *Phytophthora ramorum*.

9. Notice

Establishment shall provide at least 24 hours notice to the Project Officer when requesting an inspection.

10. Removal of Duff from Soil

Establishment shall remove all duff and leaf litter of regulated host and associated host plants from all nursery stock prior to movement out of the regulated area.

* Uncertified regulated host and associated host plants are defined as regulated host and associated host plants that originated at a nursery within the states of California, Oregon, or Washington that is not under compliance agreement with the Cooperative *Phytophthora ramorum* Quarantine Project and are not accompanied by a quarantine certificate for *Phytophthora ramorum*.

EXHIBIT J- UNREGULATED NURSERY STOCK IN SOIL

Provisions for the INTERSTATE Movement of Soil in Association with Unregulated Nursery Stock.

1. Annual Inspection

Establishment shall allow the Project to perform an annual inspection of the nursery in order to determine if regulated articles of nursery stock and/or associated host plants are present. If associated host plants are present, Establishment shall allow the Project to inspect associated host plants.

2. Quarantine Certification

Establishment shall ensure that appropriate certification accompanies each shipment of soil, in association with **unregulated** and/or **exempt** nursery stock moved out of the quarantined area. Soil, in association with **unregulated** and/or **exempt** nursery stock, may only be moved out of the quarantined area when in accordance with 7 CFR 301.92-8.

3. Removal of Duff from Soil

Establishment shall remove **all** duff and leaf litter from **all** nursery stock prior to movement out of the quarantined area.



WORKPLAN FOR SUDDEN OAK DEATH ENFORCEMENT ACTIVITIES
 in QUARANTINED Counties
 FY 2005/2006
 From July 1, 2005 through June 30, 2006

County: San Mateo

Date: 5/31/2005

Cost Per Hour: \$56.99 (including overhead expenses not to exceed 25%)

Regulated Article	Activity	Number of Facilities Requiring Activity	Estimated Visits/Year/Facility	Estimated Hours/Visit	Estimated Hours/Year	Estimated Annual Cost
Nursery Stock						
	Exhibit B- Annual Inspection	5	1	9	45	\$2,564.55
	30-day Inspection	5	12	4.5	270	\$15,387.30
	Random Compliance Monitoring	8	6	2	96	\$5,471.04
	Trace-Forward/Trace-Back	10	3	4	120	\$6,838.80
	Exhibit J- Non-Regulated Plants in Soil	14	1	3	42	\$2,393.58
	Non-Host Shipper Inspection	1	1	5	5	\$284.95
	Eradication- Certified Nursery Protocol/ Retail Nursery Protocol/Voluntary Destruction	11	2	4	88	5015.12
Greenwaste						
	Compost Treatment Monitoring				0	\$0
	Origin Facility Compliance Monitoring	2	4	2	16	\$911.84
	Transporter Compliance Monitoring					\$0
Wood Products						
	Ongoing Compliance Monitoring	7	2	1.5	21	\$1,196.79
Wreathes, Garlands, and Greenery						
	Ongoing Compliance Monitoring	5	2	0.5	5	\$284.95
Soil						
	Ongoing Compliance Monitoring	80	1	0.5	40	\$2,279.60
	Site Inspection				0	\$0
Christmas Trees						
	Annual Inspection/ Testing	6	1	6	36	\$2,051.64
Administrative Activities						
	Public Outreach/Education	10	1	4	40	\$2,279.60
	Training				80	\$4,559.20
	Survey/Monitoring	150	1	2	300	\$17,097.00
	Administrative Support				152	\$8,662.48
SUBTOTAL:						\$77,278.44
Vehicles						
	MILES	8,005	X	0.34 =	TOTAL VEHICLE COST: \$2,721.70	

TOTAL COST: \$80,000.14

Agreement No. 03-00011
 Exhibit A
 Attachment 3 of 9
 Page 3

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COUNTY HIGH RISK PEST EXCLUSION PROGRAM ESTIMATED WORK PLAN GUIDELINES

PROGRAM DEFINITIONS

High-Risk Shipments: are those 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. 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 shipments which 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.

High-Risk Pathways: those facilities where high-risk shipments are regularly or frequently intercepted. The known high-risk pathways have been listed on the Estimate of High-Risk Pest Exclusion Activities, including U.S. Postal Distribution Centers, UPS (except local), Federal Express, Air Freight, Air Freight Forwarded, Truck Referrals (008a-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.

Shipments Inspected: Shipments physically opened and examined. This is not packages or pots inspected. A shipment is one lot of plant material sent from one shipper to one receiver via one mode of transport.

Rejections: Number of state level rejection notices written. This does not include rejections of materials for failing to meet nursery standards of cleanliness, or materials rejected for B or C rated pests. Any time a live A or Q rated pest is found in a shipment a rejection notice should be issued.

Pest Interceptions: Number of "A" and "Q" pest interceptions. When more than one pest species is found in a single shipment, each different species is to be counted as an interception. Finding more than one pest of the same species does not equate to multiple interceptions.

U.S. Post Office: Postal distribution centers formerly known as sectional centers that sort mail sealed against inspection (first-class, priority, and express mail parcels).

United Parcel Service (except local service): Facilities which process parcels shipped via overnight or expedited service versus facilities that process only parcels moving locally.

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.

Truck (008a): Shipments of historically high-risk household articles from historically high-risk areas that require inspection for gypsy moth.

Truck (008-Plants & 008-Other): 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.

Post-Entry Quarantine Inspections: These inspections include both site and plant inspections. A shipment should be recorded when plant material is inspected.

Other: This column is to be used to estimate the workload for any high-risk pathway not already listed on the form; these may include: pet stores or aquariums, express parcel carriers, sea freight forwarded or other special focus activities approved by the Department. Special focus activities are then to be described under "Special Focus Description".

ACCOUNTING GUIDELINES

Program cost estimates for high-risk exclusion activities conducted at optimal levels are to be estimated based upon the guidelines and definitions contained within the County Agricultural Commissioners' Annual Financial Statement Procedures Manual. This cost/hour figure is to be estimated from an average of the costs/hour for Fiscal Years 1999/2000, 2000/2001 and 2001/2002. A county may choose to use their established County Auditor approved hourly rate in lieu of the three-year average. This would be the rate charged an applicant for phytosanitary or other type of certification if such a rate is established.

PROGRAM GUIDELINES

1. All inspections of high-risk terminal points are to be conducted as close to optimal service levels as is fiscally possible.
2. Optimal service level inspections are those conducted during the sort time(s) or before the last critical dispatch(s) of the facility monitored.
3. All high-risk shipments are to be inspected. Shipments not presenting a high risk that are moving through a high-risk facility may be monitored and inspected as time permits, but should not be included as a program cost or counted as a measure under this work plan.
4. A shipment is any amount of agriculturally regulated product/packages/potted plants from one specific shipper, in one shipment, sent to one specific consignee.

OPTIMAL SERVICE LEVELS FOR PEST EXCLUSION TERMINAL INSPECTION FREQUENCY

FACILITY	OPTIMUM INSPECTION FREQUENCY
U.S. Postal Distribution Center, United Parcel Service & Federal Express	Daily during sort
Air Freight	Daily when appropriate after offloading
Truck Referrals (008) & (008a)	100 % of Referrals after offloading
Specialty Markets & Swap Meets	Monthly during normal county office hours
Post-Entry Quarantine	All Referrals – Four visits/year normal office hours

EXHIBIT A
SCOPE OF WORK
Criteria for Work Plan

The County of San Mateo agrees to perform high-risk inspection and enforcement activities for the California Department of Food and Agriculture (CDFA) in compliance with the requirements imposed by Chapter 573 (AB 1771), Statutes of 2000, Food and Agricultural Code Section 2282.5, and County High-Risk Pest Exclusion Program Guidelines incorporated in this scope of work.

The County will perform activities approved by the CDFA as described in the attached Estimate of High-Risk Pest Exclusion Activities, included in this attachment. Definitions of the key high-risk activities can be defined as follows:

Inspection work at Air Freight Facilities can include, but is not limited to:

1. County biologist(s) reviewing invoices for content origin/destination, checking packages for quarantine compliance, rejecting parcels that do not adhere to quarantine compliance, inspecting for high-risk pests (i.e. exotic fruit flies, Japanese beetles, scales and mealy bugs, etc.)
2. Daily record keeping of inspections in regard to pest finds, writing reports referencing Report 4 and Report 4a to reflect daily record keeping entries, notifying the Interior Pest Exclusion Program of the presence of any significant pest finds, etc.

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's biologist(s) 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.

The County shall submit monthly an itemized invoice on County letterhead, and a completed monthly Report 4a, a sample of each is included in this attachment. All Reports 4a's shall be submitted on Form #66-092a to the CDFA contract Manager. Send itemized invoices and monthly Report 4a's to:

The Department of Food and Agriculture
Donnie M. Ereveillo
Pest Exclusion Branch
County High Risk Program
1220 N Street, Room A-372, Sacramento, CA 95814.

Chapter 573, Statutes of 2000.

Food and Agricultural Code of California

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.

SAMPLE INVOICE

(PLEASE SUBMIT ON YOUR COUNTY'S LETTERHEAD)

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
ATTN: DONNIE M. EREVELLO
COUNTY HIGH RISK PEST EXCLUSION PROGRAM
1220 N STREET, ROOM A-372
SACRAMENTO, CA 95814**

2005/2006 HIGH RISK PEST EXCLUSION ACTIVITIES
CONTRACT # _____

INVOICE FOR THE PERIOD FROM _____ TO _____, 2005/2006

NEW ACTIVITY

ACTIVITY	HIGH-RISK
TOTAL HOURS	
COST PER HOUR	
TOTAL COST	

SIGNATURE OF COUNTY AGRICULTURAL COMMISSIONER

Type	Premise Visits	Shipments inspected	NOR's	A/Q Pest Interceptions	Hours
Post Office					
UPS					
Federal Express					
Air Freight					
Air Freight - forwarded					
Gypsy Moth					
Truck (008 Plants)					
Truck (008 Other)					
Specialty Markets					
Swap Meets					
Post Entry					
Other					
Other					
Comments					

ESTIMATE OF HIGH-RISK PEST EXCLUSION ACTIVITIES

FISCAL YEAR 2005/2006
WORKPLAN

Agreement No. 05-0291
Exhibit 4
Attachment 4
Page 7 of 7

County: SAN MATEO

Cost per hour: \$58.38
Date: 5/9/05

Facility	No. of High-risk Facilities 05/06	Estimated Visits/Year 05/06	Estimated Hours/Visit 05/06	Estimated Hours/Year 05/06	Estimated Annual Cost 05/06
U S Post Office				0.00	\$0.00
United Parcel Service (except local)				0.00	\$0.00
Federal Express				0.00	\$0.00
Air Freight	10	5,200	0.756	3,933.59	\$229,643.00
Air Freight - Forwarded				0.00	\$0.00
Gypsy Moth (008A)				0.00	\$0.00
Truck Referrals (008)				0.00	\$0.00
Truck Referrals (008a)				0.00	\$0.00
Specialty Markets				0.00	\$0.00
Swap Meets				0.00	\$0.00
Post Entry Quarantine				0.00	\$0.00
Other - Trade Shows				0.00	\$0.00
Totals	10	5,200	0.756	3,933.59	\$229,643.00
Description of Other (Special) High Risk Facilities					

EXHIBIT B

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.

EXHIBIT C
(County Agreement)

GENERAL TERMS AND CONDITIONS, GTC-304

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. (GC 8546.7, PCC 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 recycled content, both post consumer waste and secondary waste as defined in the Public Contract Code, Sections 12161 and 12200, in materials, goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code, Sections 12161 and 12200. Contractor may certify that the product contains zero recycled content. (PCC 10233, 10308.5, 10354)
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 (Government Code Section 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 304 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, 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. UNION ACTIVITIES For all contracts, except fixed price contracts of \$50,000 or less, the Contractor acknowledges that:

By signing this agreement Contractor hereby acknowledges the applicability of Government Code Section 16645 through Section 16649 to this agreement and agrees to the following:

a) Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.

b) No state funds received under this agreement will be used to assist, promote or deter union organizing.

c) Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.

d) If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and that Contractor shall provide those records to the Attorney General upon request.

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. **Evaluation of Contractor- Consultant Contracts Only**

Per the Department of General Services (DGS), all contracts for consultant services of \$5,000 or more must be evaluated. The Contract/Contraction Evaluation, Form Std. 4, must be prepared by the program within 60 days of the completion of the contract. These evaluations shall remain on file by the Department (in a separate location from the contract file) for a period of 36 months.

4. **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.

5. **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.

6. **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.