



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

December 14, 2018

Steve Hajik
County of Lake
883 Lakeport Blvd.
Lakeport, CA 95453

Program: CalCannabis
Agreement Number: 18-0288

In regard to the enclosed Standard Agreement, please complete the following item(s) and return to the **California Department of Food and Agriculture, Acquisitions Office, 1220 N Street, Room 115, Sacramento, CA 95814** within 15 business days of the date of this letter. Failure to comply may result in delayed payment. If you cannot return the documents within the 15 business days, please contact the analyst named below to inform her of when you will return the contract.

This Agreement cannot be considered binding on either party until fully executed and approved by the Department of General Services, when required. No services should be provided prior to approval, as the State is not obligated to make any payments on any services received prior to contract execution.

☒ **Standard Agreement (STD 213)** with attached exhibits. Please have the person within your organization, who has full authority to commit to all of the contents of this agreement, review and sign the two signature pages of the Standard Agreement package. Return ALL originals to this office. Once the contract is finalized (see above paragraph), the agreement is considered fully executed and an original will be mailed to you.

☐ **Payee Data Record (STD 204)**. No payment can be made unless this form is completed and returned.

☒ **Contractor Certification Clauses (CCC 04/2017)**. The CCC package contains clauses and conditions that may apply to your agreement and to persons doing business with the State of California. The CCC will be kept on file in this office and must be renewed with every contract and as changes occur. Please sign and return the current CCC. Failure to do so will prohibit the State of California from doing business with your company.

☒ **A copy of the resolution, order or motion authorizing execution of this Agreement must be included.**

☒ **A copy of your insurance certification which states coverage will not be canceled without 30 days written notice to the State of California and which also includes the State of California, its officers, agents, employees, and servants as additional insureds, but only with respect to work performed under the contract. 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.**

☐ Other:

If you have any questions regarding this Agreement, please contact the analyst identified below.

Sincerely,

Donna Weber

Donna Weber, (916) 403-6521
Acquisitions Office
Administrative Services



STANDARD AGREEMENT

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER

18-0288

PURCHASING AUTHORITY NUMBER (if applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

CONTRACTOR NAME

COUNTY OF LAKE

2. The term of this Agreement is:

START DATE

FEBRUARY 1, 2019

THROUGH END DATE

JUNE 30, 2020

3. The maximum amount of this Agreement is:

\$7,000 - SEVEN THOUSAND DOLLARS AND NO 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.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C *	General Terms and Conditions - GTC 4/2017	0
Exhibit D	Special Terms and Conditions	1
Exhibit E	Additional Provisions	4

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (If other than an Individual, state whether a corporation, partnership, etc.)

COUNTY OF LAKE

CONTRACTOR BUSINESS ADDRESS

883 LAKEPORT BOULEVARD

CITY

LAKEPORT

STATE

CA

ZIP

95453

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

CONTRACTING AGENCY ADDRESS

1220 N STREET, ROOM 115

CITY

SACRAMENTO

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

JENNIFER CROW

TITLE

ACQUISITIONS MANAGER

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

STANDARD AGREEMENT

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DATE SIGNED

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ZIP

95814

PRINTED NAME OF PERSON SIGNING

JENNIFER CROW

TITLE

ACQUISITIONS MANAGER

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

EXHIBIT A

SCOPE OF WORK

1. Contractor shall perform commercial cannabis cultivation compliance inspection services at licensed cultivation sites for the California Department of Food and Agriculture, CalCannabis Cultivation Licensing Division.
2. The services shall be performed in Lake County.
3. The services shall be provided between 8:00 a.m. – 5:00 p.m., Monday through Friday, excluding State holidays.
4. The project representatives during the term of this agreement will be:

State Agency	Contractor
Name: Margaret Cornell	Name: Steve Hajik
Section/Unit: CalCannabis Licensing, Compliance & Enforcement	Section/Unit: Agricultural Commissioner's Office
Address: 1220 N Street Sacramento, CA 95814	Address: 883 Lakeport Boulevard Lakeport, CA 95453
Phone: 916.263.0801	Phone: 707.263.0217
Email: margaret.cornell@cdfa.ca.gov	Email: steven.hajik@lakecountycalifornia.gov

5. Detailed description of work to be performed and duties of all parties.

The County Agricultural Commissioner's Office (CAC) shall perform defined cannabis cultivation licensing compliance inspections for the California Department of Food and Agriculture (CDFA), CalCannabis Licensing Division (Division). Inspections shall be in accordance with the Medicinal and Adult Use of Cannabis Regulation and Safety Act (Act), Section 26069.1, Division 10 of the Business and Professions Code; and the Agreement for Attaining Mutual Objectives between CDFA and the California Agricultural Commissioners and Sealers Association (dated July 31, 2012).

Inspections shall include the following commercial cultivation license types:

Specialty Cottage Outdoor	Small Outdoor
Specialty Cottage Indoor	Small Indoor
Specialty Cottage Mixed-Light Tier 1	Small Mixed-Light Tier 1
Specialty Cottage Mixed-Light Tier 2	Small Mixed-Light Tier 2
Specialty Indoor	Medium Indoor
Specialty Outdoor	Medium Outdoor
Specialty Mixed-Light Tier 1	Medium Mixed-Light Tier 1
Specialty Mixed-Light Tier 2	Medium Mixed-Light Tier 2
Processor	Nursery

County Responsibilities

- A. The CAC shall perform compliance inspections of state-licensed commercial cannabis cultivators, nurseries, and processors in compliance with the Act and CDFA regulations as outlined in this agreement using the protocols and forms provided by the Division.

- G. CAC shall report all serious Violations (as defined in Section 8601(e) Table A of the Emergency Regulations (Readopt) or Permanent Regulations) to CalCannabis within 24-hours of detection.
- H. CAC shall provide the Division with applicable Information regarding violations, if any, issued to state licensed cultivation licensee associated with pesticide use/application, or weighing and measuring device non-compliance, if any.
- I. Forms may be changed or modified based upon prior mutual agreement from both parties or as required by law.
- J. Nothing in this agreement prevents or precludes the Division's Compliance and Enforcement staff from performing regulatory inspections or investigations of state licensed cannabis cultivators within the County.

Invoicing

The CAC shall submit itemized invoices on county letterhead using the template provided. Invoices shall be submitted monthly, no later than thirty (30) calendar days after the end of the reporting period covered by the invoice.

All invoiced expenses must fall within the parameters of the Scope of Work and Budget Worksheet and must be directly related to administering and conducting Division program-related activities.

Invoices shall be sent via email to margaret.cornell@cdfa.ca.gov. Questions about invoicing/reimbursement shall be directed to Margaret Cornell via email or by calling (916) 263-0801.

The Division shall reimburse the CAC a flat fee for inspections as follows:

AMOUNT PER INSPECTION Licenses on Premises AND Belonging to the Same Business	
1-10	\$400
11-30	\$500
31-60	\$600
61+	\$700

BUDGET DETAIL

County: Lake

Contract Manager: Steve Hajik

AMOUNT PER INSPECTION Licenses on Premises AND Belonging to the Same Business	
1-10	\$400
11-30	\$500
31-60	\$600
61+	\$700

Total Contract Amount: \$7,000.00

A.I.

EXHIBIT E

ADDITIONAL PROVISIONS

CONTRACT AND SUBCONTRACT COMPLIANCE REQUIREMENTS

The Contractor shall ensure its officers, agents and employees will fully cooperate with any/all investigations conducted by the Department of Food and Agriculture's Equal Employment Opportunity and Human Resources Offices and will require the same of any subcontractors or consultants used pursuant to this agreement.

UNFAIR PRACTICES ACT

Contractor hereby certifies that he/she will comply with the requirements of Section 17200 of the Business and Professions Code.

CONFLICT OF INTEREST

Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.

Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business or other ties.

LICENSE AND PERMIT REQUIREMENTS

The Contractor shall be an individual or firm properly licensed to do business in California in accordance with the laws of the State of California and shall obtain at his/her expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this agreement.

If you are a Contractor located within the State of California, a business license from the city/county in which you are headquartered is necessary; however, if you are a corporation, a copy of your incorporation documents/letter from the Secretary of State's Office can be submitted. If you are a Contractor outside the State of California, you will need to submit to the CDFA a copy of your business license or incorporation papers for your respective state showing that your company is in good standing in that state.

In the event any license(s) and/or permit(s) expire at any time during the term of this contract, Contractor agrees to provide agency a copy of the renewed license(s) and/or permit(s) within 30 days following the expiration date. In the event the Contractor fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this agreement upon occurrence of such event.

Licensed contractors must observe professional standards for quality work or the California Contractors State License Board will invoke disciplinary action.

Should the State of California determine that the work or materials provided vary materially from the specifications, or that defective work when completed was not performed in a workmanlike manner, then the Contractor warrants that he/she shall perform all necessary repairs, replacement and corrections needed to restore the property according to the agreement plans and specifications, all at no further or additional cost to the State of California.

DISPUTES

Any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time (ten business days) by the Contractor and CDFA Program Contract Manager normally responsible for the administration of this contract shall be brought to the attention of the Secretary of the CDFA or the designated representative and the Contractor for joint resolution.

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

Automobile Liability Insurance

Contractor shall maintain 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.

Workers Compensation Insurance

The Contractor shall have and maintain, for the term of this agreement, workers' compensation insurance and shall furnish to the State a certificate of insurance evidencing workers' compensation insurance and employer's liability presently in effect with limits not less than \$1,000,000 by an insurance carrier licensed to underwrite workers' compensation insurance in California. Such certificate shall include the name of the carrier, policy inception and expiration dates. If the Contractor is self-insured for workers' compensation, a certificate must be presented evidencing Contractor is a qualified self-insurer in the State of California. By signing this agreement, the Contractor hereby warrants that it carries workers' compensation insurance on all of its employees who will be engaged in the performance of this agreement. If staff provided by the Contractor is defined as independent contractors, this clause does not apply.

Sub-Contractor Insurance Requirements

Contractor shall display on an ACoR certificate of insurance evidence of the following coverages:

Commercial General Liability Insurance

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. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and 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 liability.

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

Automobile Liability Insurance

Contractor shall maintain 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.

Workers Compensation Insurance

The Contractor shall have and maintain, for the term of this agreement, workers' compensation insurance and shall furnish to the State a certificate of insurance evidencing workers' compensation insurance and employer's liability presently in effect with limits not less than \$1,000,000 by an insurance carrier licensed to underwrite workers' compensation insurance in California. Such certificate shall include the name of the carrier, policy inception and expiration dates. If the Contractor is self-insured for workers' compensation, a certificate must be presented evidencing Contractor is a qualified self-insurer in the State of California. By signing this agreement, the Contractor hereby warrants that it carries workers' compensation insurance on all of its employees who will be engaged in the performance of this agreement. If staff provided by the Contractor is defined as independent contractors, this clause does not apply.

SUBCONTRACTORS

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 CDFA.

CCC 04/2017

CERTIFICATION

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

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

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

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

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

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

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

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

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

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

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

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

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

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

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. **DOMESTIC PARTNERS:** For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. **GENDER IDENTITY:** For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

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

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

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

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

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

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

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

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

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

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

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

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

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

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

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

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

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

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