

FIRE ALARM SYSTEM INSPECTION, TESTING AND CERTIFICATION SERVICES

1. INTRODUCTION/SERVICES

- A. Contractor shall provide services, as specified, to California Department of Veterans Affairs, (CalVet). Contractor shall provide services at the Veterans Home of California, Chula Vista (Home), located at 700 E. Naples Court, Chula Vista CA 91911. Contractor shall provide all labor, materials, staff, transportation, license, permits and every other item of expense necessary, unless otherwise stated, to provide [Fire Alarm System inspection, testing and certification Services]. Services shall be provided at the Home, upon request and in compliance with terms of this Agreement.
- B. All work shall be coordinated and approved by Contract Manager or designated representative. Services shall be performed during standard business hours 8:00 a.m. to 4:00 p.m., Monday through Friday unless otherwise specified. No work is to be performed on State holidays or on an overtime basis unless prior approval is received in writing from the Contract Manager, prior to this work taking place. Any and all services performed outside the scope of this Agreement or not approved by the Contract Manager, or designated representative, will be at the sole risk and expense of the Contractor.
- C. Provider must be able to perform the tasks associated with providing services under the scope of their license. Contractor will provide services in accordance with federal and state laws and regulations and CalVet policies.
- D. The Contractor is not authorized to deliver or commence performance of services as described in the Agreement until written approval has been obtained from CalVet Contract Manager and the Contractor has received an executed contract from CalVet. Any delivery or performance of service commenced prior to the Contractor obtaining all written approvals shall be considered voluntary on the part of the Contractor.

2. EQUIPMENT

- A. The following equipment is included in this Agreement:

Simplex Fire Alarm System with approximately 1300 devices.
- B. The State reserves the right to delete or add similar equipment listed above. Additional equipment will be serviced as specified herein at the rates indicated in Exhibit B-1.

3. MINIMUM QUALIFICATIONS

All service performed under this Agreement shall be performed by qualified service technicians in the employ or under the direction of the Contractor.

Contractor shall provide a service technician who is factory-trained on the equipment specified in this Agreement. Contractor shall provide the State with proof of the required training for each service technician providing services under this Agreement. Acceptable proof may be a resume showing experience, training and factory school completion.

4. CONTRACTOR'S RESPONSIBILITIES

The Contractor shall provide the following services:

A. ROUTINE SERVICES:

- 1. Check in at the Administration Building (Building A) front desk and again at the Plant Operation office prior to commencing work. The contractor shall wear company uniform, if issued, and provide photo

identification prior to receiving a Home issued visitor badge. The visitor badge is to be visibly worn at all times while on the premises.

2. Perform quarterly, semi-annual and annual inspection, testing and certification of the central fire alarm system at the Veterans Home within Building A through Building F.
 - a. Service schedule shall be as follows:

March	-	Annual
June	-	Quarterly
September	-	Semi-Annual
December	-	Quarterly
 - b. Contractor agrees to provide services in accordance with the standards, policies and procedures of the Home and in compliance with the requirements of Title 22 and Title 24, California Code of Regulations (22CCR, 24CCR); the California Health and Safety Code; the National Fire Alarm Code of National Fire Protection Association (NFPA); and any other applicable local, state or federal regulations.
 - c. Inspection and testing shall be done in accordance with the NFPA 101 Life Safety Code and NFPA 72 National Fire Alarm Code, NFPA 25 Standard for the Inspection, Testing and Maintenance of water-based fire protection systems.
 - d. Contractor shall comply with applicable sections of 24CCR, Parts 2 (building), 3 (Electrical), 4 (Mechanical) and 9 (Fire Code).
3. Have the documented knowledge, skills and abilities and possess any necessary licenses and/or certificates to perform inspection, testing and certification of the equipment and all components involved in the fire alarm system(s) at the Home.
4. Have a minimum of two (2) technicians on site performing inspection, testing and certification of the fire alarm system(s). One (1) technician shall be stationed at the central fire alarm system monitor and keyboard during the inspection and the other technician shall be testing to acknowledge, silence and/or reset the system so as not to involve Home personal working in the adjacent area.
5. Ensure the central fire alarm monitor printer is working and that a new sheet is started to report conditions during inspection and/or testing. When completed, contractor's technician shall remove the printout and turn it in to Plant Operations with their written report of the work performed. Written reports shall include the location of work performed and description of work performed.
6. Be responsible for the cleaning of smoke detectors and other fire alarm system devices at the time of inspection and testing.
7. Fire system(s) shall be rendered fully operational before technicians leave the Home. In the event the system(s) cannot be fully operational, the technician(s) shall notify the Plant Operations office of the status and submit a report of the conditions affecting the operations of the system(s).

B. INCIDENTAL REPAIR SERVICES

To keep the fire alarm system fully operational, the Contractor shall provide repair services when requested or necessary, when inspections, tests or certifications fail. Repair services that are not provided during regularly scheduled visits, or not covered by the Guarantee section of the Scope of Work, shall be compensated by the State for actual hours worked on-site at the Contractor's Repair Hourly Rate as specified in Exhibit B-1, Rate Sheet. Any parts requiring replacement will be replaced in accordance with the Parts Section. Repair service will be provided upon written request from the Contract Manager. Contractor shall respond to requests for repair service within 24 hours of a phone call or an email by the Contract Manager or designee. Every effort shall be made to perform repair services during normal

business hours; State holiday and weekends excluded. The State may, at its discretion, allow access to the equipment during nonbusiness hours when necessary. Non-emergency repair services performed outside of normal business hours must be approved in advance in writing by the Contract Manager.

5. LICENSES, PERMITS, AND CERTIFICATION REQUIREMENTS

- A. Contractor must be licensed to conduct business in California.
- B. Contractor shall ensure all licenses, permits, and certification requirements are verified and current throughout the term of this Agreement.
- C. Contractor shall possess a C-10 Electrical Contractors License and any other appropriate fire system service licenses and/or certificates.

6. PREVAILING WAGES

- A. In accordance with the provisions of Section 1770 of the Labor Code, the Department has determined that the general prevailing wages rates are applicable in the county in which the work is being performed and are the rates established and published by the Director of Industrial Relations, <http://www.dir.ca.gov/oprl/pwd/>.
 - 1) The Notice to Contractors stipulates the prevailing wage rates are applicable to the classes of labor to be used on this project.
 - 2) Pursuant to Labor Code Section 1776 completed certified payroll reporting forms for all workers involved in this project shall be submitted to the Contract Manager prior to the authorization of any payment for work under this contract.
- B. Both parties shall retain a copy of the prevailing rates on file. Copies of the prevailing rate of per diem wages are on file with the California Department of Veterans Affairs and shall be made available to any interested party on request. LC § 1773.2.
- C. Pursuant to Labor Code Section 1775, the Contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b) by any subcontractor under the contractor. This provision shall not apply to properly indentured apprentices.
- D. Pursuant to Labor Code Section 1813, the contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five (\$25) for each work employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement.

7. PARTS REPLACEMENT

This Agreement shall include replacement of any part that becomes worn or inoperable, or that otherwise affects the equipment's operability in any way. A written estimate of the required part(s) must be submitted to the CalVet Contract Manager and approved before replacement in all cases. Parts replaced under this Agreement shall be new, factory manufactured, or exceeding Original Equipment Manual (OEM) specifications. Contractor should maintain an adequate supply and/or must be able to obtain within a

reasonable amount of time any necessary replacement parts to perform repairs and maintenance in a timely manner. Consumables and other supply items are hereby excluded.

When parts are needed, the Contractor will be reimbursed for the actual cost of the parts plus 10%, plus actual shipping charges and taxes paid by the contractor to obtain the parts. Proof of cost, such as a copy of the actual invoice for the parts from the business from which it was purchased must be attached to the Contractor's invoice for reimbursement.

Any parts replaced shall remain the property of the Home. The only exception is when the CalVet Contract Manager authorizes the Contractor to use the part(s) as a refund for "core" charges. If the Contractor is authorized to use the part for "core" exchange, the invoice must reflect the reduced cost of the parts based on "core" exchange value.

The State assumes no responsibility and shall not reimburse the Contractor for parts ordered by the Contractor and/or labor if the part was installed prior to authorization by the CalVet Contract Manager. Contractor shall be responsible for the replacement of parts necessitated by the Contractor's negligence at no expense to the State.

8. WORK AREA

While working on equipment, Contractor agrees to perform services with as little disruption to the State's operations as possible.

9. WORKMANSHIP

All work provided by the Contractor shall conform to the latest requirements of Federal, State, City and County regulations. This includes but is not limited to Titles 17, 19 and 22 of the California Code of Regulations. Contractor is responsible for compliance with all applicable laws, codes, rules and regulations on connection with work performed under this Agreement. Any services performed by the Contractor will be inspected by the State after completion. The State is solely responsible for determining acceptability of the work performed and the operability of the equipment.

10. INDEPENDENT CONTRACTOR STATUS

A. The Contractor/Providers shall be considered "Independent Contractors" in relation to CalVet and the State. Therefore, the Contractor/Providers shall not be considered employee(s) of the Home and shall not be entitled to any employee benefits from the CalVet or the State including, but not limited to, the following:

1. Premium Pay, Overtime Pay, or Holiday Pay
2. Medical Insurance
3. Vacation or Sick Leave
4. Worker's Compensation
5. Other employee benefits

11. CONTACT INFORMATION

A. The project representatives during the term of this Agreement will be:

1. **CalVet Representative/Contract Manager:**

TBD

"[Insert Contract Manager and Title]"

"[Insert Address]"

"[Insert City, State, and Zip]"

"[Insert Phone and Fax Numbers]"

"[Insert E-mail Address]"

2. **Contractor Representative:**

TBD

"[Insert Contract Manager and Title]"

"[Insert Address]"

"[Insert City, State, and Zip]"

"[Insert Phone and Fax Numbers]"

"[Insert E-mail Address]"

B. Contract Representatives, addresses, and phone/fax numbers may be changed by issuing a 20-day prior written notification and shall not require a formal amendment to this Agreement. The notifying party shall provide complete contact information for the replacement Contract Representative including, name, title, mailing address, phone/fax numbers, and email address. All other changes require a formal written amendment to this Agreement.

1. STANDARD BUDGET DETAIL AND PAYMENT PROVISIONS

A. Invoicing and Payment

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for services rendered in accordance with the rates in Exhibit B-1.
2. Invoices shall include the Agreement Number and shall be submitted in not more frequently than monthly in arrears to:

Original Invoice

Approval Copy

Department of Veterans Affairs CalVet Accounting Office 1227 "O" Street Room 402 Sacramento, CA 95814 APInvoices@calvet.ca.gov	Veterans Home of California – Chula Vista Attn: 700 E Naples Ct. Chula Vista, CA 91911
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B. Budget Contingency Clause

1. 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 form 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.
2. 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.

C. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code, Chapter 4.5, commencing with Section 927.

2. SPECIAL BUDGET DETAIL AND PAYMENT PROVISIONS

Submissions of Invoices/Claims

1. All invoices/claims must be completed thoroughly and legibly, with all applicable fields completed. Invoices/claims that are submitted to the appropriate location but have been altered, or are inaccurate, or do not provide all necessary information will not be accepted and will be returned to the Contractor for correction.
2. Any changes to this provision relating to the invoice/claim submittal process, including but not limited to an address, form, or process change, shall be an administrative change managed through the appropriate designated CalVet office **and shall not require a contract amendment.**
3. Contractor shall submit monthly invoices to the CalVet Contract Manager for approval and processing. Invoices/claims submitted shall include the following information in order to be considered complete and acceptable for processing, or the invoice/claim will be returned:
 - a) Contractor's Company name exactly as it appears on the Payee Data Record (STD.204)
 - b) Contractor's Company address, phone number and e-mail
 - c) Date of invoice/claim
 - d) Invoice/claim number
 - e) CalVet location where services were performed

- f) Contract/Agreement Number
- g) Date(s) of Service
- h) Total dollar billed
- i) First and Last name of Contractor or Provider performing services, if applicable
- j) Contractor's or Provider's Classification, whichever is applicable
- k) When applicable, Contractors shall include the following information on the invoice/claim submitted for hourly reimbursement:
 - 1. Hourly Rate
 - 2. Time in and time out
 - 3. Total hours worked
 - 4. Any other information or documentation is reasonably required to verify and substantiate the provision of services and the charges for such services.

3. CONTRACTOR OVERPAYMENTS

- 1. If the State determines that an overpayment has been made to the Contractor, the State will seek recovery immediately upon discovery of the overpayment by: (a) calling the Contractor's accounting office to request a refund of the overpayment amount, or (b) offsetting subsequent Contractor payments by the amount of the overpayment if Contractor repayment or credit is not received within thirty (30) days from the date of notice.
- 2. If Contractor discovers it has received an overpayment, Contractor must notify the State and refund the overpayment immediately.

1. **General Terms and Conditions**

A. General Terms and Conditions (GTCs)

The (GTCs) are hereby incorporated by reference and made part of this agreement as if attached. hereto. These documents may also be viewed at the California Department of General Services website: <https://www.dgs.ca.gov/-/media/Divisions/OLS/Resources/GTC-Updates/GTC-225-February-2025.pdf>

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 Contract. California may pay any applicable sales or use tax imposed by another state.

2. STATUTORY AND REGULATORY PROVISIONS

- A. This Contract shall be governed and construed in accordance with all applicable statutory and regulatory provisions including, but not limited to:
- 1) Title XVIII of the Federal Social Security Act
 - 2) Title XIX of the Federal Social Security Act
 - 3) Chapters 7 and 8 (commencing with Section 14000), Part 3, Division 9, Welfare and Institutions Code
 - 4) Division 3, Title 22, California Code of Regulations (CCR)
 - 5) Health and Safety Code Section 1340 et seq.
 - 6) All applicable Federal provisions which regulate the administration of health care programs and budget revisions, as contained in the Code of Federal Regulations (CFR), Title 42, and Title 45, Part 74, Title 42 United States Code, Sections 1395 et seq. and 1396 et seq.
 - 7) Sub-chapter 13 (commencing with Section 6800), Chapter 4, Part 1, Title 17, CCR; and
 - 8) All other applicable laws and regulations.
- B. Any provision of this Contract in conflict with the applicable laws and regulations is hereby amended to conform to the provisions of those laws and regulations. Such amendment of the Contract shall be effective on the effective date of the statutes or regulations necessitating it, and shall be binding on the parties even though the amendment may not have been reduced to writing and formally agreed upon and executed by the parties. If, due to amendment in laws of regulations, Contractor is unable or unwilling to comply with the provisions of the amendment(s), State or Contractor may terminate this Contract in accordance with the Termination provision of this Contract.

3. EXAMINATION AND AUDIT

- A. Contractor shall allow the State and its related entities, the Comptroller General of the United States, Department of Justice (DOJ), and the Bureau of Medi-Cal Fraud, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract, and to inspect, evaluate, and audit any and all books, records, and facilities maintained by the Contractor and Subcontractors pertaining to services under this Contract at any time during normal business hours.
- B. Contractor shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under this Contract in accordance with *Government Code, Section 85467.7*. The examination and audit shall be confined to those matters directly connected with the performance of the contract, including, but not limited to, the costs of administering the Contract.
- C. Books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Contract, including working papers, reports, financial records, and books of account, Medical Records, prescriptions files, Subcontracts, and any other documentation pertaining to medical and non-medical services for residents of the Home. Upon request, at any time during the term of this Contract, the Contractor shall furnish any record or copy.

4. RESOLUTION OF DISPUTES

- A. The Contractor may dispute and appeal a decision or action by the State arising out of the Interpretation or administration of this Contract. A written dispute notice shall be submitted to the Contract Manager within thirty (30) calendar days from the date the Contractor receives notice of the decision or action in dispute.

The Contractor's dispute notice shall state the following, based on the most accurate information available to the Contractor:

- 1) That it is a dispute pursuant to this Section.
 - 2) The date, nature, and circumstances of the conduct, which is the subject of dispute.
 - 3) The names, telephone numbers, function, and activity of each contractor, subcontractor, State official, or employee involved in or knowledgeable about the conduct.
 - 4) The identification of any documents and the substance of any oral communications involved in the conduct. Copies of all identified documents shall be attached.
 - 5) The reason why the Contractor is disputing the conduct.
 - 6) The cost impact to the Contractor directly attributable to the alleged conduct, if any.
 - 7) The Contractor's desired remedy.
- B. The State and the Contractor agree to try to resolve all contractual issues by negotiation and mutual agreement at the Contract Manager level. The parties recognize that the implementation of this policy depends on open-mindedness, and the need for both sides to present adequate supporting information on matters in question. The Contract Manager, in a written decision stating the factual basis for the decision, will decide any disputes concerning performance of this Contract. Before issuance of the Contract Manager's decision, informal discussions between the parties by the individuals who have not participated substantially in the matter in dispute will be considered by the parties in efforts to reach mutual agreement.
- C. The Contract Manager will render a decision or request additional substantiating documentation from the Contractor within thirty (30) days of receipt of the Contractor's appeal. A copy of the decision will be provided to the Contractor. The decision shall be final and conclusive unless, within thirty (30) days from the date of the decision, the Contractor files a written appeal addressed to the Undersecretary, California Department of Veterans Affairs.
- D. The Undersecretary's decision shall be final and conclusive unless the decision is arbitrary, capricious, grossly erroneous or if any determination of fact is unsupported by substantiating evidence. The Undersecretary's decision will be in writing and may encompass facts, interpretations of the Contract, and determination or application of law. The Contractor may, prior to the Undersecretary's decision, present oral or documentary evidence, and arguments in support of the Contractor's appeal. The decision will either:
- 1) Find in favor of the Contractor, in which case the Undersecretary may:
 - a) Countermand the earlier conduct which caused the Contractor to file a dispute; or
 - b) Reaffirm the conduct and, if there is a cost impact sufficient to constitute a change in obligations pursuant to the payment provisions, direct the State to comply with that Section.
 - 2) Deny the Contractor's dispute and, where necessary, direct the manner of future performance; or
 - 3) Request additional substantiating documentation in the event the information in the Contractor's dispute or appeal is inadequate to permit a decision to be made under paragraphs (1) or (2) above, advise the Contractor as to what additional information is required, and establish how that information will be furnished. The Contractor shall have thirty (30) days to respond to the Undersecretary's

request for further information. Upon receipt of this additional requested information, the Undersecretary will have thirty (30) days to respond with a decision. Failure to supply additional information required by the Undersecretary within the time period specified above shall constitute waiver by the Contractor of all claims.

- E. Attorney's fees and costs for any dispute or subsequent trial shall be borne by the respective parties. Both parties waive trial by jury, and any trial in superior or municipal court shall be by a judge alone. Any litigation arising out of this Contract shall be conducted in a California Court pursuant to California law.
- F. Contractor shall continue with the responsibilities under this Contract during any dispute.

5. AGENCY LIABILITY (Applies only to Federally Funded Contracts)

The Contractor warrants by execution of this Contract, that no person or selling agency has been employed or retained to solicit or secure this Contract upon Contract 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 Contract 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.

6. POTENTIAL SUBCONTRACTORS

For all Agreements, with the exception of Interagency Agreements and other governmental entities/auxiliaries exempt from bidding, nothing contained in this Contract or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of Contractor's 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 enforce the payment of any moneys to any subcontractor.

7. INSURANCE REQUIREMENTS

- A. Upon contract award, contractor must furnish to the State an original certificate(s) of insurance stating that the contractor has the following types of coverage, if applicable:
 - 1) Commercial General Liability: Combined Single Limit (CSL) for no less than \$1,000,000 per occurrence for bodily injury and property damage. The policy must 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.
 - 2) Professional Liability: (Applies to any contract in which the work is of a professional nature such as, but not limited to, physicians, architects, engineers, accountants, or consultants) Covering any damages caused by an error, omission, or any negligent acts. Limits of not less than \$1,000,000 per occurrence and \$3,000,000 aggregate.
 - 3) Automobile Liability (Applies to any contract in which the contractor will likely use a vehicle to complete the project or drive a vehicle onto State property): Limits of not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of an automobile including owned, hired, and non-owned autos.
 - a) MCS90 endorsement on the Automobile policy (**required whenever contractor will be transporting Hazardous materials i.e. Pest Control and Waste contracts.**)

- 4) Pollution Liability/Environmental Impairment Liability (Applies only to Pollution Contracts – i.e. Pest Control and Waste Contracts): In addition, the certificate evidencing general liability must include evidence of one of the following if applicable to the service:
 - a) Pesticide/Herbicide Endorsement, OR
 - b) An endorsement deleting the general liability pollution exclusion, OR
 - c) A separate environmental/pollution liability policy with limits not less than \$1,000,000 covering bodily injury and property damage from pollution and related clean-up costs incurred arising out of the work or services to be performed under this contract.
- 5) Workers' Compensation (Mandatory for all Contractors who have at least one employee): Contractor shall maintain workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract, including special coverage extensions where applicable. Contractor shall furnish a certificate for Workers' Compensation issued by an insurance carrier licensed to write Workers' Compensation insurance in the State of California, including the name of the carrier and the date of expiration of insurance, or a Certificate of Consent to Self-Insure issued by the Department of Industrial Relations.
- 6) Fidelity Bond/Crime Insurance: (Applies only to contracts handling State money or securities – i.e. Armored Car Service Contracts) Contractor shall maintain Employee Dishonesty and, when applicable, Inside/Outside Money & Securities coverages for state-owned property in the care, custody and control of the Contractor. Coverage limits shall not be less than the amount scheduled in the contract. The policy shall include as Contractor. Coverage limits shall not be less than the amount scheduled in the contract. The policy shall include as loss payee the California Department of Veterans Affairs
- 7) The certificate(s) of insurance shall be on an ACORD form, or equivalent, and must show "occurrence" coverage. The certificates of insurance must also contain all of the following provisions:
 - a) Name and address of the insurance company, policy number, and beginning and ending dates of the policy.
 - b) Statement that the insurer will not cancel the insured's coverage without 30 days prior written notice to the State.
 - c) Statement that the State of California, its officers, agents, employees, and servants are included as additional insured on the policy, but only insofar as the operations under this contract.
- 8) Contractor agrees that any insurance herein provided shall be in full force and effect at all times during the term of the contract. In the event said insurance coverage expires at any time during the term of this contract, Contractor agrees to provide, at least ten (10) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. In the event contractor fails to keep in effect at all times insurance coverage herein provided, State may, in addition to any other remedies it may have, terminate the contract upon the occurrence of such event, subject to the provisions of the contract.
- 9) Contractor shall notify the State within five (5) days if any insurance coverage identified in the contract is altered in any way.

8. RIGHT TO TERMINATE

- A. The State reserves the right to terminate this Contract subject to thirty (30) days written notice to the Contractor. Contractor may submit a written request to terminate this Contract only if the State should substantially fail to perform its responsibilities as provided herein. However, the Contract 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.

- B. This Contract 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 substantially 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 any governmental authority.

9. FORCE MAJEURE

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of, performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of god such as earthquakes, floods, and other natural disasters such that performance is impossible.

10. EVALUATION OF CONTRACTOR

Performance of the Contractor under this Agreement will be evaluated. The evaluation shall be prepared on Contract/Contractor Evaluation Sheet (STD 4), and maintained in the Agreement file. For consultant agreements, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, if it is negative and over \$5,000.

11. SB/DVBE PARTICIPATION

In accordance with requirements set forth by the State, the CalVet shall enforce all laws, rules, and regulations pertaining to this program. It is the Contractors responsibility to provide CalVet with all required documents as outlined in this agreement. The CalVet reserves the right to contact each SB and DVBE identified by the Contractor to verify compliance. Failure to meet SB/DVBE requirements under Exhibit B, and Exhibit C (GTC 04/2017), paragraphs 19.a and 19.b. may deem the Contractor to be non-responsible and rejected from future bid and contract opportunities with the CalVet.

12. LICENSES AND PERMITS

The Contractor shall be an individual or firm licensed to do business in 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 contract.

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 California Department of Veterans Affairs 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 contract upon occurrence of such event.

13. CONSULTANT – STAFF EXPENSES

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with any governmental entity.

14. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) STANDARDS FOR PRIVACY OF INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION

For the purpose of this contract, contractor shall comply with the federal Health Insurance Portability and Accountability Act (HIPAA), as well as State and Federal requirements for privacy protection. The definitions and obligations required by the HIPAA Standards for Privacy of Individually Identified Health Information (U.S.C. 1320d et seq.), and implementing regulations including but not limited to 45 Code of Federal Regulations parts 142, 160, 162, and 164, hereinafter referred to as the Privacy Rule, remain enforce and applicable for access to protected health information, including electronic protected health information.

15. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order [N-6-22](#) (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

16. LEGAL CONTRACTS (applies only to Legal Services Contracts)

In accordance with (Public Contract Code Section (10353.5) The Contractor shall:

- A. Agree to adhere to legal cost and billing guidelines designated by the State.
- B. Adhere to litigation plans designated by the state agency.
- C. Adhere to case phasing of activities designated by the state agency.
- D. Submit and adhere to legal budgets as designated by the state agency.
- E. Maintain legal malpractice insurance in an amount not less than the amount designated by the state agency.
- F. Submit to legal bill audits and law firm audits if requested by the state agency. The audits may be conducted by employees and designees of the state agency or by any legal cost control providers retained by the state agency for purpose.
- G. Submit to a legal cost and utilization review, as determined by the state agency.