

WINDOW FILM APPLICATION SERVICES

1. INTRODUCTION/SERVICES

- A. Contractor shall provide services, as specified, to California Department of Veterans Affairs (CalVet). Contractor shall provide services at the Virginia Mae Days Skilled Nursing Facility (SNF), located at the Veterans Home of California, Yountville (Home), 300 California Drive, Yountville, CA 94599. Contractor shall provide all labor, equipment, materials, staff, transportation, insurance, bonds, licenses, permits and any other item of expense necessary, unless otherwise stated, to provide privacy window film application & on-call repair services for the windows of the identified building. 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 CalVet Contract Manager or designated representative. Services shall be performed during standard business hours 7:00 a.m. to 5:00 p.m., Monday through Friday unless otherwise specified. Windows shall not be washed when the temperature is less than thirty (30) degrees Fahrenheit, when it is raining, and/or during inclement weather. No work is to be performed on State holidays or on an overtime basis unless prior approval is received in writing from the CalVet Contract Manager, prior to the work taking place. Any and all services performed outside the scope of this Agreement or not approved by the CalVet Contract Manager, or designated representative, shall be at the sole risk and expense of the Contractor.
- C. Contractor is not authorized to deliver or commence services until written approval has been obtained from CalVet Contract Manager and Contractor has received an executed contract from CalVet. Any delivery or service commenced prior to Contractor obtaining all written approvals shall be considered voluntary on the part of Contractor and shall not be reimbursed in any way. Contractor shall provide services in accordance with federal and state laws and regulations and CalVet policies.
- D. Contractor shall be able to perform the tasks associated with providing services under the scope of their license.

2. EQUIPMENT

- A. The following Equipment is included in this Agreement:
 - 1. 472 windowpanes 77 inches high x 40 inches wide
 - 2. 8 windowpanes 74 inches high x 37 inches wide.

3. MINIMUM QUALIFICATIONS

- A. All service performed under this Agreement shall be provided by qualified personnel in the employ or under the direction of Contractor.
- B. Contractor shall provide service technicians who are trained on applying Window Film, as specified in this Agreement. Contractor shall provide the State with proof of the required training and experience for each service technician providing services under this Agreement.
- C. Contractor to have completed minimum of two (2) projects within the last three (3) years of similar size and scope. Acceptable proof may be a resume showing project information including but limited to address and contract information, experience and training.

4. CONTRACTOR'S RESPONSIBILITIES

Any work not specifically mentioned but which is needed to complete all services under this Agreement according to manufacturer's standards shall be performed without additional cost.

Contractor shall follow all Centers for Disease Control and Prevention (CDC) guidelines and/or mandates in

the performance of services (i.e., masks, social distancing, etc.).

Contractor shall provide the following services:

A. Window Film Application Services:

1. Film Installation

- a. Contractor shall provide the necessary equipment that allows for safe, solid reach to all corners of windows/windowpanes.
- b. Contractor shall provide equipment, ladders and/or platforms to work around obstacles. CalVet will not be moving any obstacles or relocating any furniture. Contractor shall notify the CalVet Contract Manager if any location is not workable.
- c. Contractor shall conduct all operations while achieving the least possible obstruction and inconvenience to the Home Members, State Employees and Visitors within the building.
- d. Contractor shall protect all furniture within the building and is responsible for the replacement cost of any piece of furniture damaged or destroyed during the application of the Privacy Window film process.
- e. Contractor shall take every precaution to protect all work areas, structures, carpet, and floors from damage.
- f. Contractor shall perform, coordinate, and complete all requirements herein, in cooperation with any other contractors or trades doing any work on the property, promptly, diligently, and in a good workmanlike manner to the full and complete satisfaction and acceptance of CalVet.
- g. Contractor shall make provisions to accomplish the work of this Agreement, without undue interference with the operations of CalVet, its residents, employees and visitors.
- h. Contractor's employees shall wear a temporary visitor pass which includes the name of the Contractor, the Employee's name, and a photo ID. This badge shall be worn at all times while on the CalVet Veterans Home campus.
- i. Contractor shall sign in at the Plant Operations department and check with the CalVet Contract Manager, or designee, upon arrival and job completion of work, daily.
- j. Contractor shall allow inspection time by the CalVet Contract Manager, or designee upon completion of the first window film installation to ensure that work meets manufactures specs and CalVet - Yountville standards
- k. The Contractor must inspect and notify CalVet Contract manager of any damage before application of window film. CalVet will make final determination on how to proceed.
- l. Contractor shall be responsible for the replacement cost of any damages not identified prior to commencement of work.
- m. All work must be performed according to Work Specifications in the Exhibit A-1.
- n. Contractor shall be responsible for the disposal of all trash and debris accumulated during the initial installation of the window film.
- o. Contractor to haul off all trash to an offsite disposal landfill at the Contractors discretion.

- p. Upon completion of work, Contractor shall request a final inspection with the CalVet Contract Manager
- q. Contractor shall provide instructions for care and cleaning of the window film either via email or hard copy to the CalVet Contract Manager upon completion of the project.

2. Post Film Installation Instructions

- a. Contractor shall provide enough window film for 40 window pane film replacements or full size film rolls equivalent to 40 window pane film replacements, after the initial film installation. Film to be stored on site for future window film replacement as needed.
- b. Upon completion of the film installation and within 90 (ninety) calendar days, the film shall be clear of dimpled appearance from residual moisture and any other imperfections due to installation and drying.

3. On-call Film Replacement

- a. On-call replacement services shall be provided as needed at a maximum of forty (40) window tint removals and replacements during contract terms.
- b. Replacement services shall be performed during normal business hours as specified herein.
- c. Replacement required that are due to the negligence of residents or staff, Contractor shall be compensated by the standard rate per window pane, as specified in Exhibit B-1, Rate Sheet.
- d. Contractor shall remove damaged window tint in its entirety and replace it with new window film stored on site.
- e. Upon completion of the film repair Contractor is responsible for final clean up, leaving the space clean and free of debris.

5. LICENSES, PERMITS, AND CERTIFICATION REQUIREMENTS

Contractor shall maintain valid C-61 Limited Specialty and D-52 Window Coverings license issued by the State Contractors License Board. All licenses and classifications are required in order to submit a bid. All licenses and certifications shall be verified by CalVet. The Contractor shall be responsible for ensuring all required licenses, permits and certifications valid and current and remain in force for the term of this Agreement.

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 State.

7. WORK AREAS

Contractor shall ensure that the work area within the building is kept clean and free of debris, as necessary, to maintain a safe working environment for employees. While working, Contractor agrees to perform services with as little disruption to the CalVet's operations. All tools, equipment and other materials belong to Contractor shall be removed from the building at the end of each working day. CalVet shall not be responsible for storage of any Contractor property.

Contractor shall post signs or appropriately cordon off work areas if necessary to avoid injury to anyone in the work area. The materials used to establish required barricades and cordons shall be provided by the Contractor.

8. ACCIDENT/DAMAGE

- A. Any damage to existing facilities or structures resulting from this work shall be reported immediately to CalVet and be repaired immediately by the Contractor to the satisfaction of and at no cost to CalVet. Such repairs shall comply with all applicable provisions of this Agreement.
- B. Damage caused to the equipment covered herein due to fire, abuse, Act of God, accident, unauthorized alterations, disasters, the elements, failure of electrical power, misuse, use of authorized agents, vandalism or negligence by CalVet or its officers, agents, employees, are not covered by this agreement except on a time and material basis. Such repairs shall be performed by the Contractor at the Contractor's current, published rates at the time service is required, but only after the Contractor has made an estimate of all costs involved and written documentation has been provided to and approved by CalVet Contract Manager. CalVet is solely responsible for deciding what, if any, repairs shall be made.

9. GUARANTEE

Contractor supply to CalVet Contract Manager manufacture material warranty and guarantees all work performed by the Contractor's service technicians, including all window film replacement costs due to improper application of window film, for a minimum of one (1) year from the date of service completion.

10. WORKMANSHIP

- A. 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 CalVet after completion. CalVet is solely responsible for determining acceptability of

the work performed and the operability of the equipment.

- B. In the event that the State becomes dissatisfied with the performance of any persons assigned to perform the services under this contract, Contractor agrees, upon request from the CalVet Contract Manager, to assign other qualified personnel to perform these services.

11. PROJECT SCHEDULE

- A. Official Progress Schedule: Submit within 10 calendar days after the start date stated in the Notice to Proceed (NTP), submit a detailed schedule presenting orderly and realistic plan from the start date to completion of the work in conformance with requirements of this section.
- B. Schedule shall be based on and incorporate contract milestone and completion dates specified in the contract documents.
- C. Schedule shall be the basis for evaluating job progress, progress payments, and time extension requests. Contractor shall develop schedules and monitor actual progress as compared to schedule. Contractor shall provide weekly updates and identify any delays.
- D. Project duration is 90 days from NTP.

12. 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 CalVet and shall not be entitled to any employee benefits from 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; and
 - 5. Other employee benefits

13. CONTACT INFORMATION

- A. The project representatives during the term of this Agreement will be:
 - 1. **CalVet Representative/Contract Manager:**
Veterans Home of California, Yountville
Attn: TBD
190 California Drive
Yountville, CA 94599
Phone:
Email:
 - 2. **Contractor Representative:**
TBD
- 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.

14. AMENDMENT OPTION

CalVet may execute amendments to extend the term up to one (1) year to complete performance of the original agreement or add funds when higher than anticipated usage of services are needed. The amendment is at the sole discretion of the State and the rates noted in Exhibit B-1 remain in effect for the term of the contract including the amendment. No amendment or variation of the terms of the Agreement shall be valid unless made in writing and agreed upon by both parties and approved by DGS (if applicable).

1. **PART 1 – GENERAL**

A. DEFINITIONS

1. Mirror Tinting Privacy Films: Film products that promote daytime privacy. The film gives a reflective mirror appearance during the day, providing glare reduction and shields surfaces from UV rays. Film maintains a high level of privacy without blocking the natural light, still letting you see out from inside, while reducing glare and summer cooling costs. These Film products are scratch-resistant.
2. Examples of the type of privacy solar film products that should be used in the process shall be products such as 3M Affinity 15 or equivalent.
3. The films to be applied on interior side of windows in each Member's rooms.
 - a) 472 window panes @ 77 inches high x 40 inches wide
 - b) 8 window panes @ 74 inches high x 37 inches wide.

B. PERFORMANCE REQUIREMENTS

1. Reflective privacy solar control film products shall offer complete daytime privacy, improve solar and UV heat, glare reduction, fade protection, and aesthetic characteristics when applied to glass surfaces.
2. Provide privacy solar control films that do not have a masking sheet.
3. NFPA 101 – Window film must have ASTM E84 certification as it is evaluated as a surface-applied interior finish under NFPA 101 Chapter 10 Interior Finish, Contents, and Furnishings and it is considered a Class A interior finish, which is the most defensible classification in health care occupancies.

C. SUBMITTALS

1. Proposed product shall be provided to the CalVet Contract Manager/designee for approval.
2. Product Data shall include:
3. Performance properties.
4. Preparation and installation instructions and recommendations.
5. Storage and handling recommendations.
6. Samples: For each type of solar control film selected , 24 square inches sample.
7. Qualification Data: Submit documentation indicating qualifications of privacy solar control film manufacturer.
8. Operation and Maintenance Data: Submit for solar control film to include in maintenance manuals.
9. Warranty: Submit sample special warranty for the product specific product specified.

D. QUALITY ASSURANCE

1. Manufacturer Qualifications: A qualified manufacturer that has a minimum of 10 years of documented experience manufacturing solar control films equivalent or better to be used for this project.
2. Installer Qualifications: A firm that is authorized by solar control film manufacturer to install film in accordance with guidelines set forth by the manufacturer.
3. Source Limitations: Obtain the solar control film product from same manufacturer.
4. Pre-installation Conference: Conduct conference at project site to discuss methods and procedures relating to installation of the privacy control films.

E. DELIVERY, STORAGE AND HANDLING

1. Deliver, store and handle materials in manufacturer's protective packaging.
2. Store and protect materials according to manufacturers' written recommendations to prevent damage from condensation, temperature changes, direct exposure to sun, or other causes.

3. Contractor shall provide enough window film for 40 window pane film replacements or full size film rolls equivalent to 40 window pane film replacements, after the initial film installation. Film to be stored on site for future window film replacement as needed.
4. SITE CONDITIONS
5. Ambient Conditions: Maintain temperature, humidity, and ventilation within limits recommended by manufacturer.

F. LIMITED WARRANTY

1. Manufacturer's Warranty: The Manufacturer's Limited Warranty shall be presented to the Contract Manager or designee.

2. PART 2: PRODUCTS

A. COMMERCIAL WINDOW FILM PRODUCT EXAMPLES

1. 3M Sun Control Affinity 15 Solar Window Film
2. Lluminar: Reflective One-Way Mirror RN07GSRCDF
3. AXIS Regal 15 VLT Dual Reflective Window Film
4. Specifier Note: Select either of the following two (2) paragraphs and delete the other.
5. Substitutions will be considered, subject to compliance with requirements of this section, and with approval of the contract manager and Departments A&E consultant.

B. DUEL REFLECTIVE INTERIOR PRIVACY CONTROL FILMS

Product Performance & Technical Data: All products shall meet with the following performance characteristics when applied to the interior surface of single-pane, 1/4-inch clear glass:

Performance Criteria	Min.
% Visible Light Reflection - Exterior	58
% Visible Light Reflection - Interior	13
Winter U-Value	0.87
% Ultraviolet Ray Protection (280nm-380nm)	>99
Solar Heat Gain Coefficient	0.18
% Total Solar Energy Rejected	79
Light-to-Solar Heat Gain Ratio	0.33
% Summer Solar Heat Reduction	74

C. SOLAR CONTROL FILM ACCESSORIES

1. General: Provide accessories either manufactured by or acceptable to solar control film manufacturer for application indicated, and with a proven record of compatibility with surfaces contacted in installation.
2. Adhesive: Films with CDF designation utilize a water-activated, dry-adhesive system that forms a molecular bond between the film and glass. Films with a PS designation utilize a pressure sensitive

adhesive which is activated by pressure and water. It is characterized by its permanently tacky nature and its installation ease. Protect adhesive from contamination by applying a release liner that will be removed and discarded at installation.

3. Cleaners, Primers, and Sealers: Types recommended by solar control film manufacturer.

3. PART 3 – EXECUTION

A. EXAMINATION

1. Prior to film install contractor shall verify the window integrity of the glass; if there are any chips, cracks or other deficiencies that will affect window film installation quality, the contractor must contact CM to discuss direction to proceed.
2. Proceed with installation only after unsatisfactory conditions have been corrected. Contractor shall at the direction of CalVet install window film over fixed or replaced windows at a later time. This installation shall not exceed 120 days from project completion. Contractor shall provide film for all windows if time is exceeded.

B. PREPARATION

1. Remove foreign material and clean substrates thoroughly prior to installation. Provide additional scrubbing of perimeter area with X-100® solution or equivalent.
2. Prepare substrates using methods recommended by film manufacturer to achieve the best results for the substrate under project conditions.
3. Protect window frames and surrounding surfaces to prevent damage during installation.

C. INSTALLATION

1. Install in accordance with manufacturer's written instructions.
2. Install with no gaps or overlaps.
3. When possible, installation should include no seams. If seamed, make seams non-overlapping.
4. Do not remove release liner from film until just before each piece of film is cut and ready for installation.
5. Custom cut to the glass with neat, square corners and edges to within 1/8-inch of the window frame. Use a manufacturer-recommended solution for the application.
6. Remove air bubbles, blisters, and other defects. Be careful to remove "fingers" to eliminate any contamination or excess water pockets. It is crucial to remove as much water as possible during installation.

D. FIELD QUALITY CONTROL

1. After installation, view film from a distance of 10 feet against a bright uniform sky or background. Film shall appear uniform in appearance with no visible bubbles, streaks, wrinkles, banding, thin spots, separations, blurriness or pinholes.
2. If installed film does not meet these criteria, remove and replace with new film.

E. CLEANING AND PROTECTION

1. Remove excess mounting solution at finished seams, perimeter edges, and adjacent surfaces.
2. Use cleaning methods recommended by solar control film manufacturer.
3. Replace films that cannot be cleaned.
4. Protect installed products until completion of project.
5. Touch-up, repair or replace damaged products before Substantial Completion.

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 no more frequently than monthly in arrears to:

Original Invoice

Department of Veterans Affairs
CalVet Accounting Office
1227 "O" Street Room 402
Sacramento, CA 95814
APInvoices@calvet.ca.gov

Approval Copy

Veterans Home of California – Yountville
Attn: TBD
190 California Drive
Yountville, CA 94599

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

- A. 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.
- B. 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.**
- C. 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:
 - 1) Contractor's Company name exactly as it appears on the Payee Data Record (STD.204)
 - 2) Contractor's Company address, phone number, and e-mail
 - 3) Date of invoice/claim
 - 4) Invoice/claim number

- 5) CalVet location where services were performed
- 6) Contract/Agreement Number
- 7) Date(s) of Service
- 8) Total dollar amount being billed
- 9) First and Last name of Contractor or Provider performing services, if applicable
- 10) Contractor's or Provider's Classification, whichever is applicable
- 11) Contractor's final invoice must be clearly marked as "Final Invoice."
- 12) When applicable, Contractors shall include the following information on the invoice/claim submitted for hourly reimbursement:
 - a) Hourly Rate
 - b) Time in and time out
 - c) Total hours worked
 - d) Any other information or documentation reasonably required to verify and substantiate the provision of services and the charges for such services.

3. CONTRACTOR OVERPAYMENTS

- A. 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.
- B. If Contractor discovers it has received an overpayment, Contractor must notify the State and refund the overpayment immediately.

4. DVBE Withhold

- A. For contracts with DVBE subcontractors pursuant to Mil. & Vet. Code Section 999.7, ten thousand dollars (\$10,000) will be withheld from the final payment, or the full final payment if less than ten thousand dollars (\$10,000), until the prime contractor complies with the certification requirements of subdivision (d) of Mil. & Vet. Code Section 999.5. Prime contractor shall be given 30 days' notice to cure the defect. If, after 30 calendar days from the date of notice, the prime contractor refuses to comply with the certification requirements, CalVet shall permanently deduct ten thousand dollars (\$10,000) from the final payment, or the full payment if less than ten thousand dollars (\$10,000).
- B. CalVet shall maintain all records of the information provided by the prime contractor pursuant to Section 999.5 and shall establish appropriate review procedures for those records to ensure the accuracy and completeness of the award amounts and paid amounts reported. The records shall be maintained in a manner that facilitates access and review by external auditors. Records collected pursuant to this section shall be retained for a minimum of six years after collection. (Mil. & Vet. Code Section 999.55)

RATE SHEET

The Contractor must be able to provide the services listed below. Subcontractor Agreements may be used to comply with this requirement. Subcontractor(s) information must be identified on Bidder Declaration (GSPD-05-105). If additional Subcontractors are added during the term of the Agreement, an updated GSPD-05-105 must be submitted.

The rates listed below are in effect for the term of the Agreement, including any extension of the term through an amendment.

Description of Service	Rate Per Window
All Inclusive - Interior Window Film Application -Window Pane Size: 77 in. x 40 in.	
All Inclusive - Interior Window Film Application -Window Pane Size: 74 in. x 37 in.	

Description of Service	Rate Per Window
On-call Replacement Services - Normal Business Hours (Monday-Friday, 7:00 a.m.-5:00 p.m.)	

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 an amendment in laws or 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, prescription 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 a 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. REPORTING SMALL BUSINESS (SB)/MICRO BUSINESS (MB) AND /OR DISABLED VETERANS BUSINESS ENTERPRISE (DVBE) UTILIZATION

- A. If SB/MB and/or DVBE Subcontractor participation is a requirement on this Agreement, the Contractor must report the actual amount paid to certified Subcontractors. The Contractor must comply with Government Code Section 14841 and Military and Veterans Code Section 999.5(d) by reporting the actual utilization of certified Subcontractor(s) during the performance of this Agreement. The Contractor shall prepare and submit the report to the Contract Manager within 60 days from receipt of final payment.
- B. Withhold: Pursuant to Mil. & Vet. Code Section 999.7, ten thousand dollars (\$10,000) will be withheld from the final payment, or the full final payment if less than ten thousand dollars (\$10,000), until the prime contractor complies with the certification requirements of subdivision (d) of Mil. & Vet. Code Section 999.5. Prime contractor shall be given 30 days' notice to cure the defect. If, after 30 calendar days from the date of notice, the prime contractor refuses to comply with the certification requirements, CalVet shall permanently deduct ten thousand dollars (\$10,000) from the final payment, or the full payment if less than ten thousand dollars (\$10,000).

8. DISABLED VETERANS BUSINESS ENTERPRISE (DVBE) PARTICIPATION (WITH GOALS)

- A. The Contractor has complied with the requirements of Public Contract Code Section 10115 et seq. DVBE goals achieved are expressed as a percentage of the estimated dollar value of this contract, and are identified on the Bidder Declaration, GSPD-05-105, attached to and made a part hereof.
- B. The following goals are the Contractor's commitment set forth in this contract based upon the estimated total dollar amount to be expended:
 - 1) **5% of work for DVBE(s)**
 - 2) If this contract is amended and the additional work can be included in the subcontracted work, the goals shall be amended to reflect this change.

9. SUBSTITUTION OF DVBEs

- A. If applicable, DVBE subcontractors shall be used per the California Code of Regulations (CCR), Title 2 § 1896.70 unless a substitution is approved in writing by the Department of General Services (DGS), Office of Small Business & Disabled Veteran Business Enterprise (OSDS). A DVBE subcontractor shall be replaced by another DVBE to perform the work originally stated. The substitution shall maintain, at minimum, the level of participation goal stated in the bid.
 - 1) The Contractor shall simultaneously notify the DVBE and the CalVet Contract Manager of the intended substitution. The written notice shall contain the reasons for the substitution and be sent by certified mail. The Contractor shall submit the following to the CalVet Contract Manager:
 - i. A copy of the written notice issued to the DVBE with proof of delivery. In the absence of proof of delivery, provide the certified mail receipts.
 - ii. A copy of the DVBE's consent or opposition to the substitution. In the absence of the consent or opposition, provide the returned and unopened certified mail.
 - iii. The name and supplier number of the business being substituted and the name and supplier number of the proposed replacement. If a DVBE cannot be identified as a replacement, the Contractor shall document the absence of DVBEs. This documentation shall include but is not limited to:
 - 1. Contact CalVet' SB/DVBE Coordinator regarding the absence of DVBEs to perform the specific work.
 - 2. Search results from the DGS website for DVBEs to perform the specific work.
 - 3. Communication with a DVBE Community Organization nearest the worksite regarding the absence of DVBEs, if applicable.
 - 4. Documented communication with DVBEs describing the work to be performed, its percentage of the overall contract, the corresponding dollar amount, and their responses to the request.
 - 2) The DVBE shall have up to five (5) business days from the postmark date to consent or oppose the substitution. A copy of the DVBE's reply shall be sent simultaneously by certified mail to the Contractor and the CalVet Contract Manager.
 - 3) When written oppositions to a substitution are filed, CalVet shall grant the DVBE a hearing. The hearing notice shall be issued within five (5) business days from receipt of the opposition. If CalVet grants the substitution, continue to G, below.
 - 4) The CalVet Contract Manager shall submit the substitution request to the DGS, OSDS:
 - i. The request must meet the criteria as specified above or § 4107 of the Public Contract Code for Public Works.
 - ii. The substitution request shall be accompanied by the hearing decision, when applicable.
 - 5) The OSDS will respond to substitution requests within three (3) business days. The OSDS shall consent to the substitution of another DVBE in any of the following situations:
 - i. When the DVBE becomes bankrupt, insolvent or goes out of business.
 - ii. When the DVBE does not perform as listed in the Bidder Declaration.

- iii. When the DVBE does not meet the bond requirements of the contractor.
 - iv. When the DVBE's name is incorrect due to an inadvertent clerical error. In the case of public works contracts, compliance with § 4107.5 of the Public Contract Code is required.
 - v. When the DVBE is not licensed as required by any State of California regulatory agency.
 - vi. When CalVet, or its duly authorized officer, determines that the DVBE:
 - 1. Did not perform in accordance with the plans and specifications; or,
 - 2. Has delayed or disrupted the progress of the work.
- 6) The DVBE substitution process shall not be used as an excuse for noncompliance with any provision of law. This includes, but is not limited to, the Subletting and Subcontracting Fair Practices Act (§ 4100 et seq., Public Contract Code) or any Agreement requirements relating to substitution of subcontractors.
- 7) Contractors who proceed with work pending a substitution decision may be subject to contract termination, recovery of damages under rights, remedies and penalties. This is outlined in § 999.9 of the Military and Veterans Code, § 10115.10 of the Public Contract Code or § 4110 of the Public Contract Code (applies to public works only). Failure to adhere to the DVBE participation in the performance of the Agreement may be cause for Agreement termination and recovery of damages under the rights and remedies due CalVet.
- 8) Any DVBE firm acting/working under subcontract must be responsible for providing materials, supplies, equipment or services and must carry out its responsibility by actually performing, managing, or supervising the work involved that is normal for its business services and functions.
- 9) The Contractor shall maintain records of all subcontracts entered into with DVBE Subcontractors including records of materials purchased from DVBE suppliers. Such records shall show the name and address of each DVBE Subcontractor or supplier and the total dollar amount paid to each one. Upon completion of the Agreement, a summary of these records shall be prepared and certified correct by the Contractor or his authorized representative, and the summary shall be furnished to the CalVet Contract Manager.

10. SMALL BUSINESS OR DISABLED VETERAN BUSINESS ENTERPRISE CERTIFICATION

- A. Contractor shall maintain its status as a Department of General Services (DGS) certified Small Business (SB)/Microbusiness (MB) or Disabled Veteran Business Enterprise (DVBE), as applicable, throughout the term of this Agreement.
- B. Subcontractor must also maintain its certification with the DGS Office of Small Business & Disabled Veteran Business Enterprise Services as a SB/MB or DVBE, as applicable, for the duration of this Agreement.

11. 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 claim 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. The additional insured endorsement must accompany the certificate of insurance. This does not pertain to professional liability.
- 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.

12. 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.

13. 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.

14. 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.

15. 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 Contractor's 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 02/2025), 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.

16. 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.

17. 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.

18. 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 Identifiable 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 in force and applicable for access to protected health information, including electronic protected health information.

19. 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.

20. 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 that purpose.
- G. Submit to a legal cost and utilization review, as determined by the state agency.

1. PUBLIC WORKS – RULES/REGULATIONS

Contractor shall observe and comply with all federal, state, city, and county laws, rules or regulations affecting the work, including any laws, rules, or regulations not specifically identified in this Agreement that nevertheless apply. Any work done that does not comply with any laws, rules, or regulations will be remedied at the Contractor's expense.

2. EMPLOYMENT OF UNDOCUMENTED ALIENS

No state agency or department, as defined in Public Contract Code §10335.7, that is subject to this code, shall award a public works contract to a bidder or contractor, nor shall a bidder or contractor be eligible to bid for or receive a public works contract, who has, in the preceding five (5) years, been convicted of violating a state or federal law regarding the employment or undocumented aliens. See Public Contract Code §6101.

3. PREVAILING WAGES

- A. In accordance with the provisions of Section 1770 of the Labor Code, the Department has determined that the general prevailing wage 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.
 - 3) Pursuant to Labor Code Section 1776, the Contractor and all subcontractors shall maintain accurate payroll records and submit certified payroll records electronically through the DIR's electronic Certified Payroll Reporting (eCPR) system. Certified payroll records shall be submitted and made available to the Contract Manager upon request and prior to authorization of payment for work performed under this Agreement.
 - 4) Pursuant to Labor Code Section 1725.5, the Contractor and all subcontractors shall be currently registered with the Department of Industrial Relations (DIR) and shall maintain active registration for the duration of the Agreement. No contractor or subcontractor may perform work under this Agreement unless properly registered with DIR.
- 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 eight (8) hours in any one calendar day and forty (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.

E. Compliance and Enforcement

In accordance with California Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing work under this Agreement that is subject to prevailing wage requirements shall be currently registered with the California Department of Industrial Relations (DIR) as a Public Works Contractor prior to the award of this Agreement and shall maintain active registration for the duration of the Agreement. The Contractor shall ensure that all subcontractors performing work subject to prevailing wage requirements are also registered with the DIR prior to performing any work under this Agreement. Pursuant to Labor Code Section 1776, the Contractor and any subcontractor shall submit certified payroll records electronically using the Department of Industrial Relations' Electronic Certified Payroll Reporting (eCPR) system. Certified payroll records shall be submitted in accordance with DIR requirements for each week in which work is performed under this Agreement. The Contractor shall comply with all applicable public works requirements, including but not limited to maintaining accurate payroll records, making those records available for inspection upon request, and ensuring that all workers are paid not less than the applicable prevailing wage rates as determined by the Director of the Department of Industrial Relations. Failure to comply with DIR registration or certified payroll reporting requirements may result in withholding payments, penalties, or other remedies available to the State under applicable law.

4. APPRENTICES

Special attention is directed to Section 1777.5, 1777.6 and 1777.7 of the California Labor Code and Title 8, California administrative Section 200, et seq. Each contractor and/or subcontractor must, prior to commencement of the public works contract, contact the Division of Apprenticeship Standards office to ensure compliance and complete understanding of the law regarding apprentices and specifically the required ration thereunder. Every properly registered apprentice employed in this work shall be paid the standard wage. Responsibility for compliance with this section lies with the prime contractor.

5. AMERICANS WITH DISABILITIES ACT

By signing this contract, the contractor assures the state that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 USC § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as with all applications regulations and guidelines issued pursuant to the ADA.

6. LIQUIDATED DAMAGES

- A. Contractor shall be assessed liquidated damages and pay to the State the sum of Two Hundred Fifty Dollars (\$250.00) for each and every working days' delay in finishing the work in excess of the number of days specified.
- B. Contractor shall not be assessed liquidated damages for delay in completion of the project when such delay was caused by failure of the public agency or owner of the utility to provide for removal or relocation of utility facilities.

- C. Contractor shall not be assessed with liquidated damages during any delay in the completion of the work caused by acts of God or of the public enemy, acts of State, fire, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusual action of the elements, providing contractor shall notify State in writing of the causes of delay within ten (10) days from the beginning of any such delay. State shall determine the facts and extent of the delay, and its findings of the facts shall be considered final and conclusive.
- D. Liquidated damages shall be deducted from final payment to the Contractor.

7. STATEMENT OF COMPLIANCE

The prospective contractor's signature affixed hereon and dated shall constitute a certification, under the penalty of perjury under the laws of the State of California, that the bidder has, unless exempted, complied with the nondiscrimination program requirements of GC 12990 (a-f); and of Title 2, CCR 11102.