

**COOPERATIVE AGREEMENT
SIGNATURE PAGE**

AGREEMENT NUMBER

20-0319-000-SA

1. This Agreement is entered into between the State Agency and the Recipient named below:

STATE AGENCY'S NAME

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)

RECIPIENT'S NAME

COUNTY OF CONTRA COSTA

2. The Agreement Term is: July 1, 2020 through June 30, 2022

3. The maximum amount of this Agreement is: **\$80,175.00**

4. The parties agree to comply with the terms and conditions of the following exhibits and attachments which are by this reference made a part of the Agreement:

Exhibit A: Recipient and Project Information

1 Page

Exhibit B: General Terms and Conditions

3 Page(s)

Exhibit C: Payment and Budget Provisions

1 Page

Attachments: Scope of Work and Budget

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

RECIPIENT

RECIPIENT'S NAME (Organization's Name)

COUNTY OF CONTRA COSTA

BY (Authorized Signature)



DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

**Matt Slattengren, Agricultural Commissioner/
Sealer of Weights & Measures**

ADDRESS

2380 Bisso Lane, Suite A, Concord, CA 94520

STATE OF CALIFORNIA

AGENCY NAME

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)

BY (Authorized Signature)



DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

CRYSTAL MYERS, BRANCH CHIEF, OFFICE OF GRANTS ADMINISTRATION

ADDRESS

**1220 N STREET, ROOM 120
SACRAMENTO, CA 95814**

CJ

EXHIBIT A

RECIPIENT AND PROJECT INFORMATION

1. CDFA hereby awards an Agreement to the Recipient for the project described herein:
The county shall register interested industrial hemp growers and seed breeders and enforce all laws and regulations pertaining to industrial hemp. Food and Agricultural Code 81000-81015.

Project Title: Industrial Hemp Cultivation Program - (with Registration)

2. The Managers for this Agreement are:

FOR CDFA:	FOR RECIPIENT:
Name: Michelle Phillips	Name: Matthew Slattengren
Division/Branch: PHPPS / PEST EXCLUSION	Organization: COUNTY OF CONTRA COSTA
Address: 1220 N Street	Address: 2380 Bisso Lane, Suite A
City/State/Zip: Sacramento, CA 95814	City/State/Zip: Concord, CA 94520
Phone: 916-654-0435	Phone: 925-646-5250
Email Address: michelle.phillips@cdfa.ca.gov	Email Address: matt.slattengren@ag.cccounty.us

3. The Grant Administrative Contacts for this Agreement are:

FOR CDFA:	FOR RECIPIENT:
Name: Shadi Moscoupos	Name:
Division/Branch: PHPPS / PEST EXCLUSION	Organization:
Address: 1220 N Street	Address:
City/State/Zip: Sacramento, CA 95814	City/State/Zip:
Phone: 916-654-0435	Phone:
Email Address: shadi.moscoupos@cdfa.ca.gov	Email Address:

FISCAL CONTACT FOR RECIPIENT (if different from above):

Name:
Organization:
Address:
City/State/Zip:
Phone:
Email Address:

4. **RECIPIENT: Please check appropriate box below:**

Research and Development (R&D) means all research activities, both basic and applied, and all development activities that are performed by non-Federal entities. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other R&D activities and where such activities are not included in the instruction function.

This award ☐ does ☐ does not support R&D.

5. For a detailed description of activities to be performed and duties, see Scope of Work and Budget.

BUDGET

County: Contra Costa

July 1, 2020 - June 30, 2022

**Industrial Hemp Program
California Department of Food and Agriculture****TOTAL****PERSONAL SERVICES****Personnel:**

Agricultural Biologist I	\$459
Agricultural Biologist III/W&M III	\$29,966
Deputy Agricultural Commissioner	\$5,440
Assistant Agricultural Commissioner	\$4,931
Agricultural Commissioner/Director of W&M	\$455
Agricultural Biologist II	\$527
Agricultural Commissioner	\$4,040

Fringe Benefits:

Agricultural Biologist I	\$140
Agricultural Biologist III/W&M III	\$12,407
Deputy Agricultural Commissioner	\$2,045
Assistant Agricultural Commissioner	\$1,252
Agricultural Commissioner/Director of W&M	\$154
Agricultural Biologist II	\$318
Agricultural Commissioner	\$1,366

TOTAL	\$63,500
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OPERATING EXPENSES & EQUIPMENT

(TRAVEL)	\$455
(EQUIPMENT)	
(SUPPLIES)	\$345
(CONTRACTUAL)	
(OTHER)	

TOTAL	\$800
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INDIRECT COSTS (TOTAL PERSONAL SERVICES @ THE FOLLOWING RATE)(Total Personal Services @ the Following Rate
must not exceed 25%:)

25%	\$15,875
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TOTAL BUDGET**\$80,175**

County Letterhead

Instructions:

The County must submit a County Hemp Report and Supplemental along with an Invoice, using the provided templates, to CDFA no later than 30 days after the end of the coinciding reporting period. The County Hemp Report and Invoice shall reference the Cooperative Agreement Number and be sent to:

California Department of Food and Agriculture
Pest Exclusion Branch
Nursery, Seed, and Cotton Program
1220 N Street
Sacramento, CA 95814
Attn: Industrial Hemp Program

Or hempreporting@cdfa.ca.gov

Incomplete or incorrectly filled out County Hemp Reports and Invoices will not be accepted and will be returned to the County for corrections prior to processing the invoice.

County Letterhead

Date _____

To: Industrial Hemp Program
California Department of Food and Agriculture
Pest Exclusion Branch
1220 N Street
Sacramento, CA 95814

County of _____
Cooperative Agreement Number 20- XXXX-XXX- SA
Fiscal Year 20/21
Invoice for Period from XX/XX/XXXX to XX/XX/XXXX
Invoice Number _____

Personnel Services			
Name/Classification	Hours Worked	Salary Including Benefits per hour	Total
			\$
			\$
			\$
Total Personnel Services Cost			\$

Supplies	
Item Description	Total
	\$
	\$
	\$
Total Supplies Cost	\$

Vehicle Mileage		
Total Mileage	Reimbursement Rate	Total
	\$0.575	\$
	\$0.575	\$
	\$0.575	\$
Total Travel Cost		\$

Total Personnel Services:	
Total Overhead Cost (up to 25% of Total Personnel Services):	
Total Supplies Cost:	
Total Travel Cost:	
Grand Total:	Not to exceed agreement amount

Please remit payment to County of _____
 Address line 1
 Address Line 2
 Address line 3

Signature Block

(Original Signature), (Title)

INSTRUCTIONS FOR COUNTY HEMP REPORT

County Hemp Report - Submit Monthly

Include time spent on activities related to enforcement of State Industrial Hemp Laws and Regulations. *Do not report time spent on inspections of hemp shipments in transit or at destination, or inspections conducted to certify for export. These are quarantine activities.*

The County must submit a County Hemp Report and Supplemental along with an Invoice, using the provided templates, to CDFA no later than 30 days after the end of the coinciding reporting period. The County Hemp Report and Invoice shall reference the Cooperative Agreement Number and be sent to:

California Department of Food and Agriculture
Pest Exclusion Branch
Nursery, Seed, and Cotton Program
1220 N Street
Sacramento, CA 95814
Attn: Industrial Hemp Program

Or hempreporting@cdfa.ca.gov

Incomplete or incorrectly filled out County Hemp Reports and Invoices will not be accepted and will be returned to the County for corrections prior to processing the invoice.

Section A. Registration Activities

Report in this section the number of applicants whom applied for registration, registration renewal, or registration amendment, and the actual number of registrations, registration renewal, or registration amendment were approved. All time spent by the county personnel to provide registration, registration renewal, and registration amendment will be indicated in the last column. Registration activities will include reviewing the application for the registration of industrial hemp cultivation, collecting registration fees, entering application information, verifying application information, and issuing registration number.

Section B. Enforcement Activities of Non-Registered Plantings

Report in this section the time spent by county personnel in enforcement activities for non-compliant plantings by non-registered cultivators and the number of occurrences for each activity. Enforcement activities include but are not limited to investigation of public complaints, site inspections, sampling, and destruction confirmation.

Any enforcement activities regarding non-compliant plantings by non-registered cultivators must be entered into the supplemental sheet. In the supplemental sheet, list all county personnel's name and classifications along with their salary and benefit per hour and provide the total hours worked for each county personnel.

All supplies and travel mileage related to the enforcement activities should be entered in the supplemental sheet under Supplies and Equipment and Travel Mileage.

Section C. Public Outreach Activities

Report in this section activities related to the development of educational materials, publications, and resources, and public presentations related to local requirements shall require prior authorization by CDFA. For each activity authorized by CDFA, the County shall be reimbursed for no more than 8 hours of personnel costs.

Section D. Comments

Use this section to report any additional information regarding industrial hemp cultivation related activities, which is pertinent but not reported in the sections above.

COUNTY HEMP REPORT
(Supplemental Sheet 2)

COUNTY:	AGREEMENT NUMBER:	MONTH/YEAR:
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[illegible][illegible]

TE OF CALIFORNIA
 ARTMENT OF FOOD AND AGRICULTURE
 NT HEALTH AND PEST PREVENTION SERVICES
 04/20

**SUPPLEMENTAL SHEET TO
 COUNTY HEMP REPORT**

CDFA USE ONLY

APPROVED BY:

REGISTRATION REIMBURSEMENT:

ENFORCEMENT REIMBURSEMENT:

PUBLIC OUTREACH REIMBURSEMENT:

TOTAL REIMBURSEMENT:

COUNTY:

AGREEMENT NUMBER:

MONTH/YEAR:

REGISTRATION ACTIVITIES

NAME AND CLASSIFICATION

TOTAL
HOURS
WORKED

SALARY PER
HOUR

BENEFIT
PER HOUR

COST

NUMBER OF STAFF WORKED

0

TOTAL HOURS:

0.00

TOTAL COST:

0

ENFORCEMENT ACTIVITIES OF NON-COMPLIANT PLANTINGS BY NON-REGISTERED CULTIVATORS

NAME AND CLASSIFICATION

TOTAL
HOURS
WORKED

SALARY PER
HOUR

BENEFIT
PER HOUR

COST

NUMBER OF STAFF WORKED

0

TOTAL HOURS:

0.00

TOTAL COST:

0

PUBLIC OUTREACH ACTIVITIES

NAME AND CLASSIFICATION

TOTAL
HOURS
WORKED

SALARY PER
HOUR

BENEFIT
PER HOUR

COST

NUMBER OF STAFF WORKED

0

TOTAL HOURS:

0.00

TOTAL COST:

0



COUNTY HEMP REPORT

COUNTY:	MONTH/YEAR:
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A. REGISTRATION ACTIVITIES					
TYPE	NEW REGISTRATIONS	AMENDMENTS	RENEWALS	NUMBER ISSUED	HOURS
NUMBER OF REGISTRANTS					
VETERAN EXEMPT REGISTRANTS					
TOTAL HOURS FOR SECTION A					0

B. ENFORCEMENT ACTIVITIES OF NON-COMPLIANT PLANTINGS BY NON-REGISTERED CULTIVATORS		
ACTIVITY	NUMBER	HOURS
Investigating Complaints		
Sampling		
Site Inspections		
Destruction Confirmation		
TOTAL HOURS FOR SECTION B		0

C. PUBLIC OUTREACH ACTIVITIES			
ACTIVITY	CDFA APPROVAL DATE	NUMBER	HOURS
TOTAL HOURS FOR SECTION C			0

D. COMMENTS

TOTAL ACTIVITY HOURS (ADD TOTAL HOURS FOR SECTIONS A, B, C)	0
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- Coordinate destruction activities of non-compliant plantings grown by non-registered cultivators.
- Notify the CDFA of enforcement activities of non-registered cultivators.

c. Public Outreach Activities

The County agrees to perform the following:

- Develop educational material, publications, and resources related to local industrial hemp cultivation requirements for distribution.
- Prepare and present pertinent information regarding local regulatory requirements for industrial hemp cultivation at public meetings.

Reimbursement of activities related to the development of educational materials, publications, and resources, and public presentations related to local requirements shall require prior authorization by CDFA. For each activity authorized by CDFA, the County shall be reimbursed for no more than 8 hours of personnel costs.

SECTION 2: NON-PERSONNEL

a. Supplies/Equipment

Supplies and equipment related to activities listed can be invoiced under this Agreement.

b. Vehicle/Mileage

Mileage related to activities listed can be invoiced under this Agreement.

SECTION 1: PERSONNEL ACTIVITIES

a. Registration and Renewal Issuance

The County agrees to perform the following in accordance with CDFA's guidelines:

- Provide the industrial hemp application for registration, renewal, and registration amendments to interested parties.
- Collect the registration/renewal fees along with the applications for registration and renewal.
- Mail the registration/renewal fees collected along with the Payment Submission Form to the CDFA (1220 N Street, Sacramento, CA 95814, ATTN: Cashier – 85700CS004 or P.O. Box 942872, Sacramento, CA 94271-2872, ATTN: Cashier – 85700CS004) using a trackable mailing service for deposit into the Agriculture Fund within 15 days of collection.
- Submit an electronic copy of the payment submission form to hempreporting@cdfa.ca.gov.
- Confirm applicant, registrant, and key participants meet eligibility requirements to participate in the industrial hemp program
- Review and verify the registration application and supporting documents, per CDFA's guidelines to ensure that all required information has been provided for registration, renewal, or registration amendment.
- Confirm cultivars listed on the registration application for growers meet the requirements outlined in 3 CCR Section 4920.
- Issue a unique registration number and a Proof of Registration, Registration Cover Letter including a list of all of the approved key participants, cultivation sites, cultivars, and amendments to the applicants that have met the registration requirements.
- After issuing the Proof of Registration, forward the applications, supporting documents, and proofs of registration to the CDFA (hempreporting@cdfa.ca.gov) within 10 calendar days.
- Maintain registration records for a minimum of 3 years from the date of collection.

b. Enforcement Activities of Non-Compliant Plantings by Non-Registered Growers

The County agrees to perform the following:

- Oversee the regulatory enforcement activities related to the cultivation of industrial hemp by non-registered cultivators.
- Investigate non-compliance issues pertaining to non-registered cultivators.

Scope of Work
Industrial Hemp Cultivation Program with Registration

July 1, 2020 – June 30, 2022

The Recipient agrees to enforce all laws and regulations pertaining to industrial hemp cultivation, including registration requirements, in accordance with the Memorandum of Understanding (MOU) between the California Department of Food and Agriculture (CDFA) and the California Agricultural Commissioners and Sealers Association entitled "State-County Industrial Hemp Cultivation Program."

The laws and regulations pertaining to the Industrial Hemp Program are contained in Division 24 of the Food and Agricultural Code and Title 3, Division 4, Chapter 8 of the California Code of Regulations (CCR). All forms, templates, guidelines, and MOU referenced in this document are available on the PHPPS industrial hemp extranet webpage (<http://phpps.cdfa.ca.gov/pbuilder/FileReader.asp?pageid=1449>).

The County must submit a County Hemp Report and Supplemental along with an Invoice, using the provided templates, to CDFA no later than 30 days after the end of the coinciding reporting period. The County Hemp Report and Invoice shall reference the Cooperative Agreement Number and be sent to:

California Department of Food and Agriculture
Pest Exclusion Branch
Nursery, Seed, and Cotton Program
1220 N Street
Sacramento, CA 95814
Attn: Industrial Hemp Program

Or hempreporting@cdfa.ca.gov

Incomplete or incorrectly filled out County Hemp Reports and Invoices will not be accepted and will be returned to the County for corrections prior to processing the invoice.

This Agreement is inclusive of the county's Agreement to perform activities approved by the CDFA as described in the projected scope of work and budget.

Key activities to be conducted under this Agreement include:

- I. **Personnel Activities**
 - a. Registration and Renewal Issuance
 - b. Enforcement Activities of Non-Compliant Plantings by Non-Registered Cultivators
 - c. Public Outreach Activities
- II. **Non-personnel**
 - a. Supplies/Equipment
 - b. Vehicle/Mileage

EXHIBIT C

PAYMENT AND BUDGET PROVISIONS

1. Invoicing and Payment

- A. For activities satisfactorily rendered and performed according to the attached Scope of Work and Budget, and upon receipt and approval of the invoices, CDFA agrees to reimburse the Recipient for actual allowable expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices must include the Agreement Number, performance period, type of activities performed in accordance with this Agreement, and when applicable, a breakdown of the costs of parts and materials, labor charges, and any other relevant information required to ensure proper invoices are submitted for payment.
- C. Unless stated in the Scope of Work and/or Grant Procedures Manual, if applicable, quarterly invoices must be submitted to the CDFA Administrative Contact, within thirty (30) calendar days after the end of each quarter in which activities under this Agreement were performed.
- D. Unless stated in the Scope of Work and/or Grant Procedures Manual, if applicable, a final invoice will be submitted for payment no more than thirty (30) calendar days following the expiration date of this Agreement, or after project is complete, whichever comes first. The final invoice must be clearly marked "Final Invoice" thus indicating that all payment obligations of the CDFA under this Agreement have ceased and that no further payments are due or outstanding.

2. Allowable Expenses and Fiscal Documentation

- A. The Recipient must maintain adequate documentation for expenditures of this Agreement to permit the determination of the allowability of expenditures reimbursed by CDFA under this Agreement. If CDFA cannot determine if expenditures are allowable under the terms of this Agreement because records are nonexistent or inadequate according to Generally Accepted Accounting Principles, CDFA may disallow the expenditures.
- B. Mileage reimbursement for using a privately-owned vehicle will be at the standard mileage rate established by the United States (U.S.) Internal Revenue Service (IRS) and in effect at the time of travel. The standard mileage rate in effect at the time of travel can be found on IRS's website regardless of funding source/type.
- C. If domestic travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable for travel within California are those established by the California Department of Human Resources (CalHR). The maximum rates allowable for domestic travel outside of California are those established by the United States General Services Administration (GSA).
- D. If foreign travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable are those established in a per diem supplement to Section 925, Department of State Standardized Regulations.
- E. The Recipient will maintain and have available, upon request by CDFA, all financial records and documentation pertaining to this Agreement. These records and documentation will be kept for three (3) years after completion of the Agreement period or until final resolution of any performance/compliance review concerns or litigation claims.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, California Government Code Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927 - The California Prompt Payment Act.

4. Budget Contingency Clause

If funding for any fiscal year is reduced or deleted for purposes of this program, the CDFA has the option to either cancel this Agreement with no liability occurring to the CDFA, or offer to amend the Agreement to reflect the reduced amount.

If CDFA notifies Recipient of its decision to withhold the entire funding amount from Recipient pursuant to this paragraph, this Agreement shall terminate upon receipt of such notice by Recipient and CDFA shall no longer be required to provide funds under this Agreement and the Agreement shall no longer be binding on either party.

In the event CDFA finds it necessary to enforce this provision of this Agreement in the manner provided by law, Recipient agrees to pay all costs incurred by CDFA including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

18. Publicity and Acknowledgement

The Recipient agrees that it will acknowledge CDFA's support whenever projects funded, in whole or in part, by this Agreement are publicized in any news media, brochures, publications, audiovisuals, presentations or other types of promotional material in accordance with the Grant Procedures Manual, if applicable. Recipients may not use the CDFA logo.

19. News Releases/Public Conferences

The Recipient agrees to notify the CDFA in writing at least two (2) business days before any news releases or public conferences are initiated by the Recipient or its Contractors/Consultants regarding the project described in the Attachments, Scope of Work and Budget and any project results.

20. Scope of Work and Budget Changes

Changes to the Scope of Work, Budget or the Project term, must be requested in writing to CDFA Grant Administrative Contact no later than thirty (30) days prior to the requested implementation date. Any changes to the Scope of Work and Budget are subject to CDFA approval and, at its discretion, CDFA may choose to accept or deny any changes. If accepted and after negotiations are concluded, the agreed upon changes will be made and become part of this Agreement. CDFA will respond in writing as to whether the proposed changes are accepted.

21. Reporting Requirements

The Recipient agrees to comply with all reporting requirements specified in Scope of Work and/or Grant Procedures Manual, if applicable.

22. Equipment

Purchase of equipment not included in the approved Budget requires prior approval. The Recipient must comply with applicable state requirements regarding the use, maintenance, disposition, and reporting of equipment as contained in CCR, Title 3, Division 1, Chapter 5, Sections 303, 311, 324.1 and 324.2.

23. Closeout

The Agreement will be closed out after the completion of the project or project term, receipt and approval of the final invoice and final report, and resolution of any performance or compliance issues.

24. Confidential and Public Records

The Recipient and CDFA understand that each party may come into possession of information and/or data which may be deemed confidential or proprietary by the person or organization furnishing the information or data. Such information or data may be subject to disclosure under the California Public Records Act or the Public Contract Code. CDFA has the sole authority to determine whether the information is exempt from public release. If CDFA deems the data exempt, it shall maintain such information as confidential and notify the Recipient of any requests for release of the information.

25. Property Damage Claims Process

Should a property owner claim damages arising under, related to or involving this Agreement, the Recipient shall forward the property owner's written request for compensation to the CDFA Agreement Manager. The written request shall be fully supported by factual information. The Agency Secretary or designee will have thirty (30) calendar days after receipt of the written request to render a written decision. If a written decision is not rendered within thirty (30) calendar days after receipt of the request or the property owner disputes the CDFA's decision, the property owner may file a claim with the California Department of General Services.

26. Amendments

Changes to funding amount or Agreement term require an amendment and must be requested in writing to the CDFA Agreement Manager or designee no later than sixty (60) calendar days prior to the requested implementation date. Amendments are subject to CDFA approval, and, at its discretion, may choose to accept or deny these changes. No amendments are possible if the Agreement is expired.

11. 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 CDFA will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another State.

12. Disputes

The Recipient must continue with the responsibilities under this Agreement during any dispute. In the event of a dispute, the Recipient must file a "Notice of Dispute" with the CDFA Agreement Manager or designee within ten (10) calendar days of discovery of the problem. The Notice of Dispute must contain the Agreement number. Within ten (10) calendar days of receipt of the Notice of Dispute, the CDFA Agreement Manager or designee must meet with the Recipient for the purpose of resolving the dispute. In the event of a dispute, the language contained within this Agreement prevails.

13. Right to Terminate

This Agreement may be terminated by either party hereto upon written notice delivered to the other party at least thirty (30) calendar days prior to the intended date of termination. By such termination, neither party may nullify obligations already incurred prior to the date of termination. In the event of Termination for Convenience of this Agreement by CDFA, CDFA must pay all responsible costs and non-cancellable obligations incurred by the Recipient as of the date of termination.

14. Termination for Cause

Either party reserve the right to immediately terminate this Agreement for cause subject to written notice. However, each party will have ten (10) calendar days after receipt of the termination notice to cure the breach. If the breach is not cured within ten (10) calendar days of receipt of notice, the CDFA shall reimburse the Recipient for all documented costs incurred up to the date of termination, including all non-cancellable obligations.

15. Force Majeure

The Recipient shall not be liable for any failure to perform as required by this Agreement, to the extent such failure to perform is caused by any of the following: labor disturbances or disputes of any kind, accidents, failures of any required governmental approval, civil disorders, acts of aggression, acts of God, energy or other conservation measures, failure of utilities, mechanical breakdowns, materials shortages, disease, or similar occurrences.

16. Suspension of Payments

Reimbursement under this Agreement may be suspended or terminated, or both, and Recipient may be subject to debarment if CDFA determines that Recipient has breached the terms of this Agreement. A determination of breach may be appealed in writing and post marked within ten (10) calendar days of the date of notification, and addressed to CDFA, Legal Hearing and Appeals Office or emailed to CDFA.LegalOffice@cdfa.ca.gov.

California Department of Food and Agriculture
Legal Hearing and Appeals Office
1220 N Street
Sacramento, CA 95814

17. Breach Provisions

The Recipient may be in material breach under this Agreement if it fails to comply with any term of this Agreement. In the event of a material breach, CDFA shall provide in writing a Notice of Breach to the Recipient within ten (10) calendar days upon discovery of breach. Recipient shall have ten (10) calendar days from receipt of the notice to cure the breach. If the Recipient fails to cure the breach within the time prescribed by this Agreement, CDFA may do any of the following:

- A. Suspend payments;
- B. Demand repayment of all funding;
- C. Terminate the Agreement; or
- D. Take any other action deemed necessary to recover costs.

If CDFA determines that Recipient is not in material breach but that a Project is not being implemented in accordance with the provisions of this Agreement, or that Recipient has failed in any other respect to comply with the provisions of this Agreement, and if Recipient does not remedy any such failure in a reasonable manner, CDFA may withhold all or any portion of the grant funding and take any other action that CDFA deems necessary to protect its interests.

Where a portion of the grant funding has been disbursed to the Recipient and CDFA notifies Recipient of its decision not to release funds that have been withheld pursuant to Exhibit B, Suspension of Payments Provision, the portion that has been disbursed shall thereafter be repaid immediately. CDFA may consider Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Suspension of Payments Provision.

EXHIBIT B

GENERAL TERMS AND CONDITIONS

1. **Approval**

This Agreement is of no force or effect until signed by both parties. The Recipient may not invoice for activities performed prior to the commencement date or completed after the termination date of this Agreement.

2. **Assignment**

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of CDFA Agreement Manager or designee in the form of a formal written amendment.

3. **Governing Law**

This Agreement is governed by and will be interpreted in accordance with all applicable State and Federal laws.

4. **State and Federal Law**

It is the responsibility of the Recipient to know and understand which state, federal, and local laws regulations, and ordinances are applicable to this Agreement and Project. Recipient shall be responsible for observing and complying with all applicable state and federal laws and regulations, and failure to comply may constitute a material breach.

5. **Recipient Commitments**

The Recipient accepts and agrees to comply with all terms, provisions, conditions and commitments of the Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Recipient in the application, documents, amendments, and communications in support of its request for funding.

6. **Performance and Assurances**

The Recipient agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in the Scope of Work, and to apply grant funds received only to allowable Project costs in accordance with applicable provisions of the law and Grant Procedures Manual, if applicable.

7. **Mutual Liability**

Each party hereto agrees to be responsible and assume mutual and proportional liability for its own wrongful or negligent acts of omissions, or those of its officers, agents or employees to the full extent required by law.

8. **Unenforceable Provision**

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and will not be affected thereby.

9. **Contractors/Consultants**

The Recipient, and the agents and employees of Recipient, in the performance of this Agreement, are not officers, employees, or agents of the CDFA. The Recipient's obligation to pay its Contractors/Consultants is an independent obligation from the CDFA's obligation to make payments to the Recipient. Recipient agrees to comply with all applicable State and local laws and regulations during the term of this Agreement. All Contractors/Consultants shall have the proper licenses/certificates required in their respective disciplines. The Contractors/Consultants shall not affect the Recipient's overall responsibility for the management of the project, and the Recipient shall reserve sufficient rights and control to enable it to fulfill its responsibilities under this Agreement.

10. **Non-Discrimination Clause**

During the performance of this Agreement, Recipient and its Contractors will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical or mental disability, medical condition, age, marital status, and denial family care leave.

The Recipient and Contractors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient and Contractors will comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Recipient and its Contractors will give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining unit or other Agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.