



RESOLUTION No. 18-294

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING EXECUTION OF STANDARD AGREEMENT NUMBER 18XS0004 WITH THE CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS FOR VETERAN MENTAL HEALTH OUTREACH SERVICES

WHEREAS, under this Agreement, the State is providing Mental Health Services Act (MHSA) Prop 63 funds to the California Department of Veterans Affairs (CDVA) to to help improve the mental health and well-being of veterans in the community; and

WHEREAS, the purpose of this project is to perform mental health outreach throughout the County and provide therapy to veterans and their family members.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that the Standard Agreement No. 18XS0004 by and between the County and the California Department of Veterans Affairs which provides funding in the amount of \$40,000 for the term of July 1, 2018 through June 30, 2019 for Veteran Mental Health Outreach Services, be and hereby is approved in substantially the form attached hereto, and that the Chair of the Board of Supervisors be and is hereby authorized to execute the Agreement on behalf of the County of Nevada.

Funds to be deposited into revenue account: 1589-50501-496-1000/445090.

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 26th day of June, 2018, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller, Hank Weston and Richard Anderson

Noes: None.

Absent: None.

Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: 


Edward Scofield, Chair

6/26/2018 cc: DSS (4)
AC* (Hold)

7/13/2018 cc: DSS*
AC* (Release)

AGREEMENT NUMBER

18XS0004

REGISTRATION NUMBER

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

STATE AGENCY'S NAME

California Department of Veterans Affairs

CONTRACTOR'S NAME

County of Nevada

2. The term of this Agreement is: July 1, 2018 through June 30, 2019
Or upon approval

3. The maximum amount of this Agreement is: \$40,000.00
Forty thousand dollars and zero cents

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

Exhibit A – Scope of Work	2 pages
Exhibit A-1 – Program Narrative	4 pages
Exhibit B – Budget Detail and Payment Provisions	2 pages

Exhibit C* – General Terms and Conditions

GIA 610

Check mark one item below as Exhibit D:

- ☒ Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)
☐ Exhibit - D* Special Terms and Conditions

6 pages

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx

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

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of Nevada

BY (Authorized Signature)

Edward C. Scofield

DATE SIGNED (Do not type)

6/26/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Edward C. Scofield, Chair

ADDRESS

950 Maidu Avenue, Ste. 200
Nevada City, CA 95959

STATE OF CALIFORNIA

AGENCY NAME

California Department of Veterans Affairs

BY (Authorized Signature)

David Gerard

DATE SIGNED (Do not type)

7/9/18

PRINTED NAME AND TITLE OF PERSON SIGNING

David Gerard, Chief, Facilities and Business Services Division

ADDRESS

1227 O Street, Sacramento, CA 95814

California Department of General
Services Use Only

☒ Exempt per: SCM I, 4.04 A.2

VETERAN MENTAL HEALTH OUTREACH SERVICES

1. INTRODUCTION/SERVICES

- A. The County of Nevada (Contractor) shall provide "Veteran Mental Health Outreach Services", as specified in Exhibit A-1, in accordance with the Mental Health Services Act (Proposition 63), for the California Department of Veterans Affairs, (CalVet).
- B. Provider must be able to perform the tasks associated with providing services under the scope of their license. Contractor will provide services in accordance with federal and state laws and regulations and CalVet policies.
- C. The Contractor is not authorized to deliver or commence services until written approval has been obtained from CalVet Contract Manager and the Contractor has received an executed contract from CalVet. Any delivery or service commenced prior to the Contractor obtaining all written approvals shall be considered voluntary on the part of the Contractor.

2. CONTRACTOR'S RESPONSIBILITIES

The Contractor shall provide the following services:

- A. Expand and/or enhance mental health services to include treatment and other related recovery programs to Veterans currently residing in or returning to the community, as they transition to civilian life.
- B. Provide the following performance measures on a periodic and annual basis:
 - 1. Four (4) periodic progress reports to include the following:
 - a) Performance table that includes the goal for each performance measure and the source of collecting the performance measure (See Exhibit B – Budget Detail and Payment Provisions for periodic progress report/metric due dates).
 - b) Any narrative related to Performance Assessment and Data.
 - 2. Annual progress report at the end of the funding period. The report must summarize information from the periodic reports, describe the accomplishments of the project, and describe the next steps for implementing any plans for additional work identified during the funding period.

3. INDEPENDENT CONTRACTOR STATUS

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

4. CONTACT INFORMATION

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

CalVet Representative

Phillip Leggett, Mental Health Coordinator
1227 O Street, Room 105
Sacramento, CA 95814
Phone: (916) 503-8327
Email: phillip.leggett@calvet.ca.gov

Contractor Representative

Kevin Edwards, CVSO
988 McCourtney Road
Grass Valley, CA 95949
(530) 265-1446

- 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.

Appendix A – Program Narrative

County of Nevada Veteran Services Office

Section A: Statement of Need

Nevada County is located in the Sierra Nevada foothills of California with a person per square mile rate of 103, compared to 251 in California. The rural population of 99,682 lives across a 974-square-mile region that spans from the foothills, over the Sierra Nevada's and extending east to the California/Nevada border. The three incorporated cities (Nevada City, Grass Valley, and Truckee) comprise approximately 32,000 residents, leaving more than 66,000 persons living in very rural areas. Veterans comprise more than 8.3% of the county population.

According to the 2016 VetPop data, there are 8,337 veterans calling Nevada County home, of which 12% are WW II veterans, 54% Korean / Vietnam War veterans, 23% Peacetime veterans and 11% Gulf War veterans. The result of the 2017 Housing and Urban Development (HUD) Point In Time count identified 12 homeless veterans within Nevada County. According to the Substance Abuse and Mental Health Services Administration, 20 to 25% of the homeless population in the United States suffers from some form of severe mental illness.

The majority of Nevada county residents live 60-90 miles from the closest VA Medical Center. A small VA outpatient clinic in Auburn, CA is located 30 miles from the Grass Valley area is where the majority of our veterans are seen for their primary care and one where only psychologist is available. The VA Medical Center it is associated with is Reno which is 90 miles away, and travel during the winter months makes complicates issues due to chain controls or road closure.

Mental Health services for combat veterans are seen by a therapist in Grass Valley through a contract with the Citrus Heights Vet Center. These services are provided for a period of one year, unless the veteran receives a disability rating for PTSD during that timeframe. When the veteran receives a rating, they are then required to receive treatment through the VAMC in Reno. If the veteran has a military related mental health trauma which is not due to combat, the veteran will not be provided service through the Vet Center, but will instead be referred to the VA clinic.

Welcome Home Vets (WHV) is a non-profit organization that provides mental health services through contracted licensed-therapists and serves veterans in the Nevada County area. These therapists are competent in both military culture and in treatment of military related psychological trauma. This support service allows veterans to continue receiving treatment in Nevada County. Family members can also receive free mental health services, including individual, group, and supervised peer-support therapy. WHV also provides education to the community on military related trauma through agencies such as faith-based organizations, the court system, junior college system and the Community Support Network, a non-profit collaborative.

Nevada County VSO received the Prop 63 Grant for the first 3 years in which it partnered with WHV and it has made a significant impact on those 175 veterans which it has served locally. This Grant will enable WHV to continue this support and expand it.

Section B: Proposed Service/Project

Immediately upon separating from military service, many veterans focus on providing for their family, starting a new career or continuing their education. During this new journey and focus, many veterans fail to file for benefits and even seek treatment for the psychological trauma they might have experienced during their service. For some veterans in Nevada County, it has been 30 years or more since leaving the military, which they are just now coming to terms with their service and are seeking benefits and treatment.

The purpose of Welcome Home Vets is to continue to educate all veterans and family members in their transition, link them to services as well as improve the mental health and well-being of all veterans in Nevada County. The key to success by increasing outreach and referral to mental health services. The service will continue to meet this purpose by:

1. Ensuring the public knows the mission of the organization and sees the active promoting of services and mental health treatment.
2. Identifying more minority and underrepresented veterans that may need support in Nevada County.
3. Continuing and expanding on the new program to eliminate veteran homelessness.
4. Increasing the collaboration among non-profits and government agencies serving veterans.
5. Continuing a peer model support system.

Nevada County VSO, in partnership with Welcome Home Vets, Sierra College, multiple divisions of Nevada County Department of Social Services (DSS), Nevada County Department of Behavioral Health, Nevada County Stand Down, Nevada County Court System, local Senior Services, Sierra Nevada Memorial Hospital, and the Tahoe Forest Health System, proposes to continue the Nevada County Veterans Outreach and Resource Program. This program includes reaching out and connecting veterans within Nevada County to behavioral health support and other services.

The Welcome Home Vets Veteran Outreach Coordinator (VOC) will educate veterans and their dependents covering all services and resources available to veterans within the county. Additionally, the VOC will continue to build upon the successful outreach that has been established, which include:

- Maintaining the Veterans Resource Center within Sierra College – Truckee and Grass Valley Campuses. Continue to be available at least one day a week to provide referrals and support.
- Continue to work with the Nevada County Court Administrator to identify veterans in the court system and provide therapy while incarcerated.
- Work with the county's Continuum of Care program to help serve the homeless veteran population.
- Continue relationships with local media outlets to publicize programs available to veterans.
- Maintain relationships with non-profits and programs serving veterans in Nevada County.
- Maintain the peer counseling program.
- Assist in transition classes at Beale AFB
- Attend local events to reduce the stigma surrounding mental health and promote treatment

The goals and objectives listed above have proven to be effective and evidence-based in increasing the number of veterans seeking mental health and/or substance abuse treatment, and thus improving the mental health of veterans in Nevada County.

- Outreach: Early identification of PTSD and other stress reactions is critical. Quickly referring people to treatment can shorten their suffering and lessen the severity of their functional impairment.
- Treatment for Military Related Trauma: Available PTSD treatment can address the primary symptoms of PTSD by helping the client bring under control the vivid re-experiencing of the trauma and continual re-appraisal of the event so they can feel better about themselves and their actions. In addition to addressing the symptoms, treatment addresses functional limitations such as relationship and trust issues, anger management, feelings of alienation, sleep disturbances, and other limitations.
- Peer Support: A variety of peer-consumer-run models exist in the community and the VA system, such as: support groups, drop-in centers, consumer-run organizations, warm lines and Internet support groups and message boards. Research on consumer-run services has consistently yielded positive results.
- Family Support: Family support is fundamental to a service member's recovery from military-related trauma. According to a 2005 Department of Defense (DOD) survey, 74 % of DOD active-duty personnel cope with stress by talking to a friend or family member. Spouses and family members are often the first to recognize when service members require professional assistance and play a key role in influencing service members to seek help.

As stated in section A, 12 veterans (less than 1% of our veteran population) were identified as being homeless last year and that eliminating veteran homelessness in Nevada County was a real possibility. WHV partnered with other county organizations to purchase items to construct "Life packs" consisting of new socks, gloves, t-shirts, toiletry items, sleeping systems as well as a list of references and resources available in ways to break the cycle of homelessness. These life packs were distributed to county agencies and non-profits throughout the county where the homeless population are known to use. Additionally, WHV has also reached out to the County

Association of Realtors to promote the HUD/VASH program and to educate property owners and managers on the need to support it when veterans take that step to better their situation.

Section C: Proposed Implementation Approach

Most screening will be done by the VSO and referred to WHV for an initial meeting and follow up screening for proper documentation for therapy services. The WHV screener / interviewer is a veteran who has been through the program himself and is well versed in the indicators of mental health issues and substance abuse.

The Veteran Outreach Coordinator will attend monthly meetings with the county, city chamber commerce, local fraternal organizations and local veteran service organizations. The coordinator will provide information on planned outreach activities, upcoming events and share success stories from therapy. WHV has contacted the Beale AFB Family Support Squadron, to be added as a presenter in their Transition Assistance Program, to educate those separating from the military about all the services available to veterans who plan to reside in Nevada County.

The expectation is that this program will continue to meet its goal of providing information about available mental health and substance abuse treatment services to at least 300 unduplicated Veterans annually. The Veterans Outreach Coordinator will educate staff members of partner agencies on available services and referral options to veterans as well as meet annually with at least 10 agencies to address gaps and coordinate system changes in the outreach and referral process among agencies and non-profits in Nevada County.

Potential barriers to the success of providing services to veterans in Nevada County include:

- *Unfamiliarity of personnel in other agencies with the identification of Veterans in need of services coordinated by the Veterans Outreach Coordinator.* This will continue to be addressed by the Veterans Outreach Coordinator by collaborating with these agencies to develop and maintain relationships that will enable the establishment of a formal referral process.
- *With the majority of Nevada County being un-incorporated, making connections with those who live in these areas will be difficult.* The Veterans Outreach Coordinator will ensure that every small town has literature of veteran services placed in the Post Office lobby and other frequented stores and marketplace. Quarterly radio interviews discussing the program services and some success stories from therapy, will also assist in reaching these veterans.
- *Reluctance of Veterans in need of treatment to engage in treatment.* This will continue to be addressed by the Veterans Outreach Coordinator who will collaborate with service providers on the concept of a proper warm hand-off of a Veteran to the appropriate agency provider.

Welcome Home Vets has been a successful program for all that it has served. Many veterans and family members that received therapy through WHV volunteer their services as a way that they can give back to help the program that helped them. WHV has a measurement of success of keeping veterans local and the therapy they receive continues to keep veterans from attempting or committing suicide.

Since the funding from last year was not renewed, WHV has proposed an initiative to other veteran centric non-profits to join forces as one large veteran non-profit, to share and possibly lower the costs of each other's services in order to reach as many veterans as possible. Those non-profits have expressed interest in joining as they have felt the same struggles with limited funding. Additionally, requests for local donations and applications for other grants will be submitted. Annual fundraisers are conducted each year, however results from them vary.

Section D: Proposed Implementation Approach

Collection of data associated with metrics will be the responsibility of the Veterans Outreach Coordinator. With the scope of the program and other volunteers involved, the VOC will stress to all key personnel about data collection. The VOC will educate them on the required data elements, and the importance of accurate data collection for the metrics.

Collected data associated with metrics will be reviewed quarterly by the Veterans Outreach Coordinator. Any

missing or data affected by elements outside the control of the Veterans Outreach Coordinator will be annotated in the Performance Assessment and Data table. The completed Quarterly Progress Reports and/or narratives will be reviewed by the Nevada County Veterans Services Office before submission to CalVet. Evidence of review will be kept in the form of a signed copy of the report.

Quarterly review of the metrics by VSO staff and the Veterans Outreach Coordinator will provide concrete evidence of the success of the program, but will also show where behavioral health disparities of the veterans we reach out to can affect how the program is seen to be performing.

I. STANDARD BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for services rendered in accordance with the rates specified.

- 1) The amount of this contract shall not exceed \$40,000.00
- 2) The first quarterly payment shall be made upon approval of the contract in the amount of \$10,000.00.
- 3) The remaining three payments shall be made upon receipt of quarterly invoices by the CalVet Contract Manager.
- 4) Quarterly invoices shall be submitted no later than the following dates:

July 1, 2018	Contract Begins	Term: July 1, 2018 – June 30, 2019
October 31, 2018	1 st Quarter Invoice/Metrics Due	1 st Quarter (07/01/2018 – 9/30/2018)
January 31, 2019	2 nd Quarter Invoice/Metrics Due	2 nd Quarter (10/01/2018 – 12/31/18)
April 28, 2019	3 rd Quarter Invoice/Metrics Due	3 rd Quarter (01/01/2019 – 03/31/2019)
July 31, 2019	Annual Progress Reports	Counties must summarize information from the periodic reports, describe the accomplishments of the project and describe next steps for implementing any plans for additional work identified during the funding period. (Annual Progress Reports are due with 4 th Quarter invoices and metrics.) 4 th Quarter (04/01/19 – 06/30/19)

B. Quarterly payments shall only be approved upon periodic invoices that shall include the Agreement Number, County name, address and telephone number. Quarterly invoices shall also be accompanied by the quarterly reports identified in Exhibit A – Scope of Work, and shall be submitted in duplicate not more frequently than listed above to:

Original Invoice	Approval Copy
Department of Veterans Affairs CalVet Accounting Office 1227 O Street Room 402 Sacramento, CA 95814	Department of Veterans Affairs Veterans Services Division 1227 O Street, Room 105 Sacramento, CA 95814 Attn: Phillip Leggett

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further 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.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

3. 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.

II. SPECIAL BUDGET DETAIL AND PAYMENT PROVISIONS

1. 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. 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
 - 2) Contractor's Company address, phone number and e-mail
 - 3) Date of invoice/claim
 - 4) Invoice/claim number
 - 5) Location where services were performed
 - 6) Agreement Number
 - 7) Contractor Federal Employer Identification Number and National Provider Identifier number
 - 8) Date(s) of Service
 - 9) Total dollar amount being billed
 - 10) First and Last name of Contractor or Provider performing services, if applicable
 - 11) Contractor's or Provider's Classification, whichever is applicable
 - 12) 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) Total number of Residents seen
 - e) Any other medical information or documentation reasonably required to verify and substantiate the provision of services and the charges for such services.

1. EXCISE TAX:

The State of California is exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Contract. California may pay any applicable sales or use tax imposed by another state.

2. STATUTORY AND REGULATORY PROVISIONS

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

4. RESOLUTION OF DISPUTES:

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

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

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

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

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

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

The Contractor warrants by execution of this Contract, that no person or selling agency has been employed or retained to solicit or secure this Contract upon Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Contract without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

6. POTENTIAL SUBCONTRACTORS:

For all Agreements, with the exception of Interagency Agreements and other governmental entities/auxiliaries exempt from bidding, nothing contained in this Contract or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of Contractor's responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them, as it is for the acts and omissions of persons directly employed by the Contractor.

The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or enforce the payment of any moneys to any subcontractor.

7. INSURANCE REQUIREMENTS

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

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

8. RIGHT TO TERMINATE

- A. The State reserves the right to terminate this Contract subject to thirty (30) days written notice to the Contractor. Contractor may submit a written request to terminate this Contract only if the State should substantially fail to perform its responsibilities as provided herein. However, the Contract can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the

terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.

- B. This Contract may be suspended or cancelled without notice, at the option of the Contractor, if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by any governmental authority.

9. FORCE MAJEURE:

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

10. EVALUATION OF CONTRACTOR:

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

11. SB/DVBE PARTICIPATION:

In accordance with requirements set forth by the State, the CalVet shall enforce all laws, rules, and regulations pertaining to this program. It is the Contractors responsibility to provide CalVet with all required documents as outlined in this agreement. The CalVet reserves the right to contact each SB and DVBE identified by the Contractor to verify compliance. Failure to meet SB/DVBE requirements under Exhibit B, and Exhibit C (GTC 610), paragraphs 19.a and 19.b. may deem the Contractor to be non-responsible and rejected from future bid and contract opportunities with the CalVet.

12. LICENSES AND PERMITS:

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

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

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

13. CONSULTANT – STAFF EXPENSES:

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

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

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

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

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

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