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STANDARD CLAUSES

Exhibit F

EXHIBIT F – STANDARD CLAUSES

SPECIAL TERMS AND CONDITIONS

1. WORKER'S COMPENSATION CLAUSE: The Authority affirms that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and the Authority affirms that it will comply with such provisions before commencing the performance of the work under this contract.
2. ASSIGNMENT: This Agreement is not assignable by the Authority, either in whole or in part, without the consent of the State in the form of a formal written amendment.
3. INDEPENDENT AUTHORITY: The Authority, and the agents and employees of the Authority, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
4. AMERICANS WITH DISABILITIES ACT: By signing this contract, the Authority assures the State that it complies with the Americans With Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
5. DRUG-FREE WORKPLACE CERTIFICATION: By signing this contract, the Authority or grantee hereby certifies under penalty of perjury under the laws of the State of California that the Authority or grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about all of the following:
 1. The dangers of drug abuse in the workplace,
 2. The person's or organization's policy of maintaining a drug-free workplace,
 3. Any available counseling, rehabilitation and employee assistance programs, and
 4. Penalties that may be imposed upon employees for drug abuse violations.

- c. Every employee who works on the proposed contract or grant:
 - 1. Will receive a copy of the company's drug-free policy statement, and
 - 2. Will agree to abide by terms of the company's statement as a condition of employment on the contract or grant.

This contract or grant may be subject to suspension of payments or termination, or both, and the Authority or grantee may be subject to debarment if the department determines that: (1) the Authority or grantee has made a false certification, or (2) the Authority or grantee violates the certification by failing to carry out the requirements noted above.

- 6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
- 7. AGENCY LIABILITY: The Authority warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement 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 Authority 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 Agreement 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.
- 8. POTENTIAL SUBCONTRACTORS: Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Authority of its responsibilities and obligations hereunder. The Authority agrees to be as fully responsible to the State for the acts and omissions of its subcontractor 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 Authority. The Authority's obligation to pay its subcontractor the Authority is an independent obligation from the State's obligation to make payments to the Authority. As a result, the State shall have no obligation to pay or enforce the payment of any moneys to any subcontractor the Authority.

9. SUBCONTRACTING: The Authority is responsible for any work it subcontracts. Subcontracts must include all applicable terms and conditions of this Agreement. Any subcontractors, outside associates, or consultants required by the Authority in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified in the bid or agreed to during negotiations for this Agreement, or as are specifically authorized by the Contract Manager during the performance of this Agreement. Any substitutions in, or additions to, such subcontractors, associates or consultants shall be subject to the prior written approval of the Contract Manager. Authority warrants, represents and agrees that it and its subcontractors, employees and representatives shall at all times comply with all applicable laws, codes, rules and regulations in the performance of this Agreement. Should State determine that the work performed by a subcontractor is substantially unsatisfactory and is not in substantial accordance with the contract terms and conditions, or that the subcontractor is substantially delaying or disrupting the process of work, State may request substitution of the subcontractor.

10. COMPUTER SOFTWARE: For contracts in which software usage is an essential element of performance under this Agreement, the Authority certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. REPORT RECYCLED CONTENT CERTIFICATION: In accordance with Public Contract Code Sections 12200-12217, et seq. and 12153-12156, et seq. the Authority must complete and return the form DWR 9557, Recycled Content Certification, for each required product to the Department at the conclusion of services specified in this contract. Form DWR 9557 is attached to this Exhibit and made part of this contract by this reference.

12. REIMBURSEMENT CLAUSE: If applicable, travel and per diem expenses to be reimbursed under this contract shall be at the same rates the State provides for unrepresented employees in accordance with the provisions of Title 2, Chapter 3, of the California Code of Regulations. The Authority's designated headquarters for the purpose of computing such expenses shall be: N/A

13. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, the Authority and its subcontractors, the Authority shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. The Authority and subcontractor the Authority shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Authority and subcontractor the Authority shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (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. The Authority and its subcontractor the Authority's shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

The Authority shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Authority by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Authority shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
2. "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing

body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

- c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery (Government Code Section 4553).
- d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action (Government Code Section 4554).

16. CHILD SUPPORT COMPLIANCE ACT: "For any Agreement in excess of \$100,000, the Authority acknowledges in accordance therewith, that:

- a. The Authority recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b. The Authority, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. 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 shall not be effected thereby.

18. THE AUTHORITY COOPERATION DURING INVESTIGATION: The Authority agrees to cooperate fully in any investigation conducted by or for DWR regarding unsatisfactory work or allegedly unlawful conduct by DWR employees or DWR the Authority. The word "cooperate" includes but

is not limited to, in a timely manner, making the Authority staff available for interview and the Authority records and documents available for review.

19. CONFLICT OF INTEREST:

- a. Current and Former State Employees: The Authority should be aware of the following provisions regarding current or former state employees. If the Authority has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

(1) Current State Employees: (PCC §10410)

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

(2) Former State Employees: (PCC §10411)

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

b. Penalty for Violation:

- (a) If the Authority violates any provisions of above paragraphs, such action by the Authority shall render this Agreement void. (PCC §10420)

c. Members of Boards and Commissions:

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

d. Representational Conflicts of Interest:

- (a) The Authority must disclose to the DWR Program Manager any activities by the Authority or subcontractor the Authority personnel involving representation of parties, or provision of consultation services to parties, who are adversarial to DWR. DWR may immediately terminate this contract if the Authority fails to disclose the information required by this section. DWR may immediately terminate this contract if any conflicts of interest cannot be reconciled with the performance of services under this contract.

e. Financial Interest in Contracts: The Authority should also be aware of the following provisions of Government Code §1090:

“Members of the Legislature, state, county district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity.”

f. Prohibition for Consulting Services Contracts: For consulting services contracts (see PCC §10335.5), the Authority and any subcontractor the Authority (except for subcontractor’s who provide services amounting to 10 percent or less of the contract price) may not submit a bid/SOQ, or be awarded a contract, for the provision of services, procurement of goods or supplies or any other related action which is required, suggested, or otherwise deemed appropriate in the end product of such a consulting services contract (see PCC §10365.5).

20. AUDIT: The Authority agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Authority agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated.

The Authority agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Authority agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

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

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

 2. The Authority agrees to cooperate fully in providing reasonable access to the Authority's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the Authority's compliance with the requirements under paragraph (a)

23. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the Authority certifies that the Authority is in compliance with Public Contract Code section 10295.3.

24. LABOR CODE/WORKERS' COMPENSATION: The Authority needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and the Authority affirms to comply

with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700).

25. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Authority shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
26. UNION ORGANIZING: For all contracts, except fixed price contracts of \$50,000 or less, the Authority acknowledges that:

By signing this agreement, the Authority hereby acknowledges the applicability of Government Code Section through Section 16649 to this agreement and agrees to the following:

- a. The Authority will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.
- b. No state funds received under this agreement will be used to assist, promote or deter union organizing.
- c. The Authority will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.

If the Authority incurs costs, or makes expenditures to assist, promote or deter union organizing, the Authority will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and that The Authority shall provide those records to the Attorney General upon request.

27. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e))