

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 24YS0024	PURCHASING AUTHORITY NUMBER (If Applicable)
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1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
California Department of Veterans Affairs

CONTRACTOR NAME
Town of Yountville

2. The term of this Agreement is:

START DATE
July 1, 2024

THROUGH END DATE
June 30, 2034

3. The maximum amount of this Agreement is:
Zero dollars and no cents (\$0.00)

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.

Exhibits	Title	Pages
Exhibit A	Scope of Work	8
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit D	Special Terms and Conditions	6
+ - Exhibit C*	General Terms and Conditions	*
+ - Attachment A	Joint Agreement	1
+ - Attachment B	Town of Yountville Cost Recovery	2
+ - Attachment C	True-UP Sample Process	2
+ - Exhibit E	Budget Information	1

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 <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
Town of Yountville

CONTRACTOR BUSINESS ADDRESS 6550 Yount Street	CITY Yountville	STATE CA	ZIP 94599
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PRINTED NAME OF PERSON SIGNING Brad Raulston	TITLE Town Manager
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CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

California Department of Veterans Affairs

CONTRACTING AGENCY ADDRESS

1227 O Street

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

Lisa A. Peake

TITLE

Yountville Home, Administrator

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

Town of Yountville Joint Agreement for Water and Wastewater Treatment Services

EXHIBIT A
SCOPE OF WORK

The parties to this agreement are the Department of Veterans Affairs (hereinafter referred to as “Department”) and the Town of Yountville (hereinafter referred to as “Buyer”).

RECITALS

1. WHEREAS, Department has jurisdiction, control, and possession, of certain real property in the County of Napa, State of California, upon which Rector Dam and Reservoir are located; and
2. WHEREAS, Department impounds water behind Rector Dam in Rector Reservoir and distributes that water through a distribution system for various purposes to state and non-state water users; and
3. WHEREAS, Government Code section 14715 provides that the Veterans Home of California—Yountville (VHC-Y), for all purposes, including irrigation and domestic, shall have the first and prior right to all available water stored in Rector Reservoir (hereinafter referred to as “Rector Reservoir water”); and
4. WHEREAS, Government Code Section 14715 provides further that in the event that there is more Rector Reservoir water available than necessary to meet the requirements of the VHC-Y, the Department of General Services may take and conduct from Rector Reservoir such quantity of surplus water for the use of state establishments within the County of Napa, including, but not limited to, the Napa State Hospital and the State Game Farm, if and only if the Department of Water Resources determines that said establishment has a need for Rector Reservoir water; and
5. WHEREAS, the “Water License for Diversion and Use of Water” (License No. 10911) issued to Department by the State Water Resources Control Board on May 7, 1979 authorizes Department to put Rector Reservoir water to beneficial use at the VHC-Y, the State Game Farm, the Napa State Hospital, the Town of Yountville, and specified agricultural properties; and
6. WHEREAS, Department has been selling Rector Reservoir water to Buyer pursuant to various agreements for over 40 years, including an agreement entered into by the parties hereto in 2004, which will expire 6/30/2024; and
7. WHEREAS, Department intends to recover from users of Rector Reservoir water the pro rata share of the cost of said water, including, but not limited to, the cost of operation, treatment, and maintenance associated with Rector Reservoir and the treatment facility; costs of compliance with regulatory agencies; and the recovery of investment for the treatment facilities and equipment amortized over a twenty-year period; and any Rector Reservoir-related studies; and

8. WHEREAS, article X, section 2 of the California Constitution and Water Code section 100 declare that the general welfare requires that California's water resources be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare and these provisions establish state water policy; and

9. WHEREAS, Buyer requires water for beneficial use consistent with article X, section 2 of the California Constitution and Water Code section 100; and

10. WHEREAS, Department is a member of the Town of Yountville's community and is in a unique position to provide Rector Reservoir water to that community, thereby contributing to the community's general well-being.

NOW THEREFORE, the parties mutually agree as follows:

11. Department agrees to provide Rector Reservoir water to Buyer for its reasonable and beneficial use in the amount of 500 acre-feet per year. However, should there be surplus water in excess of such amount, Department may, at its option, deliver additional water to Buyer on the same terms and conditions as set forth in this agreement provided. The peak flow rate not to exceed 1500 gallons per minute for 15 minutes, and the average flow rate is not to exceed 750 gallons per minute.

12. On April 1 of each year, the Department shall notify Buyer of the amount of Rector Reservoir water available for delivery to Buyer under this agreement for the following fiscal year (July1 – June30). The Department's determination of the amount available to Buyer shall be based on an adopted water operations plan, which may be amended from time to time with notice to Buyer. By May 1 of each year, Buyer shall provide a schedule of monthly deliveries for such water as is made available, and Department shall endeavor to make Rector Reservoir water available consistent with such schedule.

13. Except as provided in paragraph 14, Buyer shall pay only for treated water delivered to Buyer.

14. Buyer agrees to purchase a minimum of 250-acre feet each year to offset Department's cost of operating Rector Reservoir and water treatment facility. However, if for any reason outside of the control of Buyer, less than 250-acre feet of water is available for delivery to Buyer, Buyer shall have no obligation to purchase more than the maximum amount available for delivery to Buyer.

15. The term "fiscal year" as used herein means from July 1 through June 30. The charge shall be the actual per-acre-foot cost (as calculated pursuant to paragraph 16) for the preceding fiscal year.

16. By September 1st of each year, the Department shall determine the total actual cost of all Rector Reservoir water delivered to all users, including the VHC-Y, during the preceding fiscal year. The total actual cost shall include the cost of all items set forth in the cost recovery model attached hereto as 'Attachment A'. The total actual cost shall then be divided by the number of acre-feet of Rector Reservoir water delivered to all users, including the VHC-Y, to determine the actual per-acre-foot cost. The actual charges payable by Buyer for any fiscal year shall be the actual per-acre-foot cost multiplied by the greater of (a) the number of acre feet of Rector Reservoir water delivered to Buyer pursuant to this agreement or (b) the number of acre feet Buyer is obligated to purchase pursuant to paragraph 14.

17. Within 30 days of the calculation of the total actual cost and the actual per-acre-foot cost as described above, Department shall provide a statement to Buyer indicating the allocation of said cost in accordance with the cost recovery model contained in 'Attachment A', along with a report showing the number of acre feet of Rector Reservoir water supplied to each entity, including the VHC-Y, receiving deliveries thereof during the preceding fiscal year.

18. If the actual charges payable by Buyer for any fiscal year exceed the amount paid by Buyer pursuant to the terms of this agreement during said year, the Buyer shall remit the difference to Department within 30 days of receipt of the information described in paragraph 16. If the actual charges payable by Buyer for any fiscal year are less than the amount paid by Buyer pursuant to the terms of this agreement during said year, the Department shall credit the difference to the Buyer for Rector Reservoir water delivered (or which Buyer is obligated to purchase pursuant to Paragraph 14) during the year in which said difference is discovered. Sample attached as "Attachment C".

19. Department shall maintain accurate, complete, and current records associated with the operation and maintenance of Rector Reservoir and the treatment facility and equipment, the treatment and delivery to Buyer of Rector Reservoir water, and the recovery of Department's investment in the treatment facility and equipment, and shall make such records available for inspection by Buyer at all reasonable times during regular business hours.

20. The quality of Rector Reservoir water delivered by Department to Buyer at its point of connection with Department's water pipeline under this agreement shall be the same as that provided to the VHC-Y. Department shall notify Buyer verbally or in writing of any significant change in water quality within twenty-four hours of discovering the change or any earlier period of time which is required by the operating permit with the Department of Health Services.

21. Rector Reservoir water delivered to Buyer under this agreement shall be delivered through Department's facilities to a delivery point or points consisting of one or more mains of Buyer mutually acceptable to Department and Buyer.

22. Buyer agrees to provide accurate metering of Rector Reservoir water at any point of delivery specified in paragraph 21. Buyer agrees that Department shall have the right at any and all reasonable times to inspect any of Buyer's metering equipment and records thereof. Buyer agrees to have its meters checked every two years by the meter manufacturer or the manufacturer's designated representative. The Buyer shall notify Department 72 hours in advance of any testing to be done. The cost of meter checks shall be borne by Buyer, and the results thereof shall be reported to Department within 14 days of receipt by Buyer. If Department requests meter checks on a more frequent basis than every two years, then the Department shall pay for the additional checks if any of the meters being checked are accurate to within ten percent. Buyer shall pay the cost of the additional meter checks if any of the meters being checked are ten percent or more out of calibration.

23. The design, construction, and maintenance of any connections between Department's and Buyer's pipelines shall be subject to the approval of Department, but at no cost to Department.

24. Department shall not be under any obligation whatever to change, or in any manner modify, its present water distribution system or to accommodate it to the Buyer's water system. Department makes no warranty as to the pressure under which Rector Reservoir water will be delivered to Buyer. Department and Buyer agree to cooperate regarding any water quality issues that arise during the term of this agreement.

25. Any rights of Buyer under this agreement shall be subject to the provisions of Government Code section 14715, it being expressly understood that any commitment by Department under this agreement to provide Buyer Rector Reservoir water shall be inferior to the senior prior rights of the VHC-Y. It is also understood that, to the extent the Department of Fish and Wildlife, the Department of Mental Health and other state establishments located in the County of Napa (hereinafter, collectively with VHC-Y, referred to as "State Users") are determined by the Department of Water Resources to have need of Rector Reservoir water and the Department of General Services has consented to conduct said water, as set forth in Government Code section 14715, Buyer shall have no claim to the delivery of Rector Reservoir water under this agreement, except as to such water which is at all times during this agreement is surplus to the needs of the State Users. Department in consultation with the Department of Water Resources and the Department of General Services shall be the sole judge of whether surplus Rector Reservoir is available for delivery to Buyer. To the maximum extent reasonably practical, Department will notify Buyer as soon as possible of any potential limitations in the supply of water available for delivery to Buyer due to the needs of the State Users demands of Priority Users, to provide Buyer with the opportunity to arrange for alternate water supplies.

26. Any rights of Buyer under this agreement shall be subordinate to any prior encumbrance, claims, or rights to Rector Reservoir water including adjudicated rights of State Users. Department shall not have any liability whatever to Buyer for failure to deliver Rector Reservoir water for any other reason beyond the control of the Department, including but not limited to fire, drought, disaster, other emergency, or acts of God. Department shall not have any liability whatsoever to Buyer for failure to deliver Rector Reservoir water due to the lack of availability thereof resulting from deliveries of water to State Users.

27. Buyer shall indemnify, defend, and hold harmless the Department and its officers, employees, and agents from and against any and all claims, demands, liability, costs, and expenses of whatever nature, including court costs and counsel fees arising from the injury or death of any person or persons or the loss of or damage to any property arising in any manner from supplying or not supplying Rector Reservoir water to Buyer except as such is solely the result of gross negligence on the part of the Department.

28. The parties to this agreement agree that Buyer, and any of its officers, employees, agents, and representatives, in the performance of this agreement, shall act in an independent capacity and not as officers, employees, agents, or representatives of the State of California, the Department, or any other state agency.

29. Buyer may not assign or transfer this agreement either in whole or in part.

30. The term of this agreement (hereinafter referred to as the "initial term") shall be ten (10) years commencing on the date this agreement is executed or July 1, 2024, whichever is later. The agreement may be renewed in ten-year increments provided the Department and Buyer mutually agree on the renewal, subject to the same subordination to State Users provided in paragraph 25 hereof. Department or Buyer may terminate this agreement at any time upon two-years' written notice to all parties to this agreement. However, either party may terminate this agreement upon 30 days written notice to other for cause. For purposes of this agreement, the phrase "for cause" shall mean the failure of the other party to meet the terms, conditions, and/or responsibilities of the agreement. A termination for cause shall be effective as of the date indicated on the notice provided. Deliveries of Rector Reservoir water to State Users shall not result in termination of this agreement, even if such delivery results in Department's inability to deliver Rector Reservoir water to Buyer hereunder either temporarily or indefinitely, provided, however, that Buyer shall have no obligation to pay for water that is unavailable to it due to such deliveries to State Users.

31. Should any dispute arise out of the interpretation, administration or performance of this agreement, the parties shall make a good faith effort to resolve such dispute. In the event litigation arises between the parties hereto arising out of the interpretation, administration, or performance of this agreement, the following shall apply:

- a) Attorney's fees and costs incurred in said litigation shall be borne by the respective parties.
- b) Trial by jury is waived by both parties, and any trial shall be by a judge alone.

c) The venue of any action between the parties hereto arising out of the interpretation, administration, or performance of this agreement shall be the Superior Court in and for the County of Sacramento.

d) Each party shall continue to perform its obligations hereunder while said litigation is pending unless the agreement is terminated pursuant to paragraph 30.

32. This agreement represents and contains the entire and only agreement and understanding among the parties with respect to the subject matter of this agreement. This document supersedes any and all prior and contemporaneous oral and written agreements, understandings, representations, inducements, promises, warranties, and conditions between the Department and the Buyer. No agreement, understanding, representations, inducement, promise, warranty or condition of any kind with respect to the subject matter of this agreement shall be relied upon unless expressly incorporated herein.

33. This agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

34. 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 shall have full force and effect.

35. This agreement will remain in effect unless amended, modified or superseded or unless terminated pursuant to paragraph 30. All amendments, addition, deletions and/or changes shall be made only in writing and signed by the signatories or their designated authorized representatives.

36. As consideration for the Department entering into this agreement, Buyer and Department agree to establish a fair and equitable billing formula for the operation of the wastewater Joint Treatment Plant (JTP) with the goal of ensuring that Department pays no more than its proportionate share of the cost of operations of the JTP. To that end, the parties agrees to the following:

a) Of the four samples taken each month for calculation of influent flow, Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS), Buyer agrees to take one sample per month during the weekend for testing by an independent laboratory. The three other monthly samples will be taken on weekdays, as has been the current practice. The day of the weekend that the sample is taken will be rotated each month to capture loadings on Friday, Saturday and Sunday's. The Buyer agrees to this sampling plan effective with the execution of this agreement. It is the Buyer's intent to determine to determine the day of the weekend that has the highest loading for the Town of Yountville and, thereafter to sample on that day each month.

b) Upon the request of either party, but in no event more often that once each year, Buyer and Department will review billing formula, including, but not limited to the data generated by the sample testing to observe any significant loading patterns to the JTP. Should either party based on said review determine that billing formula, for any reason, is not fair and equitable to each party the Buyer will make mutually agreed upon

adjustments to the billing formula, including, but not limited to the sampling schedule to ensure said formula accurately reflects Department’s share of the loading of the JTP in proportion to all other users. Should the adjustment to the billing formula not be consistent with the existing agreement both parties shall be committed to amend said JTP agreement.

c) If mutual agreement cannot be obtained, both parties agree to retain a professional wastewater engineering consultant, mutually agreeable to the parties to make an independent review of the billing formula contained with the original JTP agreement as modified herein who shall recommend any modifications which, in the opinion of the consultant, will make the billing formula fair and equitable. The parties agree to be mutually bound by the recommendation of any consultant retained. The cost of any such consultant shall be considered an operating cost of the JTP to be allocated to the parties according to the billing formula.

d) The total actual operating cost of the JTP shall include the cost of all items set forth in the cost recovery model attached hereto as ‘Attachment B’. Department shall pay the proportion of the total actual operating cost of the JTP as its loading thereon bears to the loading from all users of the JTP.

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

California Department of Veterans Affairs	Town of Yountville
Name: California Department of Veterans Affairs	Name: Brad Raulston
Title: Contract Manager	Title: Town Manager
Address 1227 O Street	Address: 6550 Yount Street, Yountville, CA 94599
Phone: (707) 944-4514	Phone: (707) 944-8851
Email: Donald.callison@calvet.ca.gov	Email: braulston@yville.com

DEPARTMENT OF VETERAN AFFAIRS

By: _____
Secretary

APPROVED AS TO FORM:

By: _____
Deputy Secretary/Chief Counsel

TOWN OF YOUNTVILLE, a municipal
Corporation

By: _____
Mayor

ATTEST:

By: _____
Town Clerk

APPROVED AS TO FORM:

By: _____
Town Attorney

Town of Yountville Joint Agreement for Water and Wastewater Treatment Services

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. The charges for water and payment therefor shall be in accordance with paragraphs 16 through 19, of Exhibit A.
2. Invoices to and payments from Buyer shall include Agreement Number 24YS0024. Payments from Buyer shall be submitted as provided in Paragraph 18 of Exhibit A, to:

California Department of Veterans Affairs
VHC Accounting Office
PO Box 942895
Sacramento, CA 94295

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 C (GTC 04/2017), paragraphs 19.a and 19.b. may deem the Contractor to be non-responsible and rejected from future bid and contract opportunities with the CalVet.

12. LICENSES AND PERMITS

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

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

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

13. CONSULTANT – STAFF EXPENSES

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

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

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

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

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

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

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

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

Town of Yountville Joint Agreement for Water and Wastewater Treatment Services

ATTACHMENT A

		TOTALS
CHLORINE	\$	-
AH 710	\$	-
SODIUM ORTHOPHOSPHATE	\$	-
POTASSIUM PERMANGANATE	\$	-
NTU 926	\$	-
DIRECT CONTRUCTION SUPERVISOR II	\$	-
DIRECTOR OF OPERATIONS	\$	-
CHIEF ENGINEER II SUPERVISOR	\$	-
WATER TREATMENT PLANT OPERATOR	\$	-
WATER TREATMENT PLANT OPERATOR	\$	-
WATER TREATMENT PLANT OPERATOR	\$	-
WATER TREATMENT PLANT OPERATOR	\$	-
MAINTENANCE MECHANIC	\$	-
RESEARCH ANALYST II	\$	-
OVERTIME	\$	-
MISCELLANEOUS TRADES	\$	-
ELECTRICAL USAGE	\$	-
CATHODIC PROTECTION	\$	-
PERMIT FEES	\$	-
OUTSIDE LAB ANALYSIS	\$	-
CONSULTANT FEES	\$	-
PARTS, SUPPLIES & SERVICES	\$	-
TOTAL PLANT OPERATING COST	\$	-
IMPROVEMENTS - 20 YEARS - (3)	\$	-
PROD MIL/GAL		0.00
PROD ACRE FEET		0.00
ACRE FEET DELIVERED		0.00
TOTAL COST/MONTH	\$0.00	
COST/ACRE FOOT MONTH -POTABLE WATER DELIVERED	\$	-
ANNUAL COST PER ACRE FOOT	\$	-
ADMINISTRATIVE COST	\$	-
TOTAL COST PER ACRE FOOT	\$	-

Town of Yountville Joint Agreement for Water and Wastewater Treatment Services

ATTACHMENT B

TOWN OF YOUNTVILLE COST RECOVERY

General Ledger

Expenditures Analysis by Account Type

Account Number	Description
62	Wastewater Utility Operations
62-4515-4010	Salaries - Full Time
62-4515-4011	Salaries - Part Time
62-4515-4012	Overtime
62-4515-4013	Medicare & Fica
62-4515-4020	Pers Employer Rate
62-4515-4023	GASB 68 Pension Expense
62-4515-4024	GASB 75 OPEB Expense
62-4515-4030	Deferred Compensation
62-4515-4031	Payment - In Lieu Health
62-4515-4040	Health Insurance
62-4515-4042	Dental Insurance
62-4515-4043	Vision Insurance
62-4515-4044	Life/Disability Insurance
62-4515-4047	Allocated PRSP Trust Contrib.
62-4515-4048	Monthly Allocated PERS UAL Res
62-4515-4049	Allocated OPEB Trust Contrib.
62-4515-4050	Tuition Reimbursement
62-4515-4051	Automobile Allowance
62-4515-4052	Cell Phone Allowance
62-4515-4053	Other Employee Reimbursements
62-4515-4055	Technology Stipend
	Personnel
62-4515-4110	Office Supplies
62-4515-4120	Other Supplies & Materials
62-4515-4125	Chemicals
62-4515-4130	Postage & Printing
	Supplies
62-4515-4210	Contract Services
62-4515-4220	Audit & Accounting Services
62-4515-4225	Bank & Fiscal Agent Fees
62-4515-4280	Other Agencies
	Services
62-4515-4310	Facilities Maintenance
62-4515-4320	Equipment Maintenance
62-4515-4330	Vehicle Maintenance
	Repair & Maintenance
62-4515-4510	Utilities - Gas & Electric
62-4515-4520	Waste Disposal & Recycling
	Utility Services

62-4515-4699	Allocated IT Costs IT & Telecommunication
62-4515-4710	Conference & Travel
62-4515-4715	Meetings & Training
62-4515-4720	Dues & Subscriptions Staff Development
62-4515-4819	Allocated Liability Insurance
62-4515-4829	Allocated Property Insurance
62-4515-4839	Allocated Workers' Comp Ins. Insurance/Claims
62-4515-5700	Machinery & Equipment < \$10k
62-4515-5999	Depreciation Expense Capital Outlay
62-4515-6100	Principal
62-4515-6199	Loan Principal - Contra Debt Service
62-4515-6500	Interest Interest
62	Wastewater Utility Operations

Expense Total

Percentage Veterans Home of California – Yountville

Total due from Veterans Home of California-Yountville (Total*Percentage)

Town of Yountville Joint Agreement for Water and Wastewater Treatment Services

ATTACHMENT C

TRUE-UP SAMPLE PROCESS

Payment Terms

Veterans Home of California – Yountville

The Veterans Home of California – Yountville Contract Manager by September 1, will provide an annual cost accounting per acre-foot of potable water produced along with recorded meter readings for the prior fiscal Year

Town of Yountville

The Town of Yountville will provide the Contract Manager with the annual expense report for the operation of the Town of Yountville wastewater treatment plant including the overall percentage that the Veterans Home of California – Yountville is responsible for as a result of treating the effluent from the Veterans Home.

True-Up Process

The contract manager will offset water usage charges payable by the Town of Yountville against the Wastewater charges due from the Veterans Home of California - Yountville. This will be called the "True-up process". The net amount due will be the calculated difference between potable water billing and wastewater billing.

Example 1:

Town of Yountville Water Charges	\$1,000
Veterans Home of California-Yountville Wastewater Charges	<u>\$500</u>
Net due to the Veterans Home of California-Yountville from the Town of Yountville	\$500

Example 2:

Town of Yountville Water Charges	\$1,500
Veterans Home of California-Yountville	<u>\$2,000</u>
Net due to the Town of Yountville from the Veterans Home of California-Yountville	\$500

DEPARTMENT OF VETERAN AFFAIRS

By: _____
Secretary

APPROVED AS TO FORM:

By: _____
Deputy Secretary/Chief Counsel

TOWN OF YOUNTVILLE, a municipal
Corporation

By: _____
Mayor

ATTEST:

By: _____
Town Clerk

APPROVED AS TO FORM:

By: _____
Town Attorney

Exhibit E- Budget Information

24YS0024

Section E - Budget Information						
	Fiscal Year		Contract Amount	Fund Title	Chapter	Statute
FY	2024	2025	\$0.00	General Fund	BA	2024
FY	2025	2026	\$0.00	General Fund	BA	2025
FY	2026	2027	\$0.00	General Fund	BA	2026
FY	2027	2028	\$0.00	General Fund	BA	2027
FY	2028	2029	\$0.00	General Fund	BA	2028
FY	2029	2030	\$0.00	General Fund	BA	2029
FY	2030	2031	\$0.00	General Fund	BA	2030
FY	2031	2032	\$0.00	General Fund	BA	2031
FY	2032	2033	\$0.00	General Fund	BA	2032
FY	2033	2034	\$0.00	General Fund	BA	2033