



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C-3

For the meeting of: July 25, 2017

Date: July 6, 2017
To: Board of Supervisors
From: Jeff M. Dolf, Agricultural Commissioner/Sealer of Weights & Measures
Subject: **APPROVAL OF COOPERATIVE AGREEMENT NO. 17-0168-000-SA CALIFORNIA ORGANIC PROGRAM CONTRACT WITH THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE IN THE AMOUNT OF \$8,480.00**

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve Cooperative Agreement No. 17-0168-000-SA, known as the California Organic Program Contract between Humboldt County and the California Department of Food and Agriculture, and
2. Authorize the Chair to sign the original agreement and one copy of the cover page, and return all copies to the Agricultural Commissioner's Office for further processing, and
3. Grant a waiver from the provisions of the Nuclear Free Ordinance.

SOURCE OF FUNDING:

California Department of Food and Agriculture (CDFA)

Prepared by Jeff M. Dolf

CAO Approval [Signature]

REVIEW: Auditor WBM County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor Wilson Seconded by Supervisor Fennell
Ayes Sundberg, Wilson, Fennell
Nays _____
Abstain _____
Absent Bass, Bohn

PREVIOUS ACTION/REFERRAL:
Board Order No. _____
Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: July 25, 2017
[Signature]
Deputy Clerk

DISCUSSION:

The waiver from the provisions of the Nuclear Free Ordinance is requested because the State of California will not modify its Cooperative Agreements to accommodate local ordinances. The Agricultural Commissioner's Office receives annual subventions from CDFA to help offset the local cost of enforcing certain state-mandated programs. Pursuant to the California Food and Agriculture Code, Cooperative Agreement No. 17-0168-000-SA provides funds to Humboldt County for the enforcement of requirements associated with the California Organic Foods Act. The county will receive payments as appropriate for activities related to organic producer registration/renewals, amendments, spot inspections, soil and tissue sampling and complaint investigations. Per terms of the agreement, Humboldt County staff will conduct ten spot inspections and four farmer's market inspections to include certified and non-certified markets to verify compliance by program participants with organic program requirements.

Currently in Humboldt County there are more than 155 producers registered with the California Organic Program, and the county has more than 118,000 acres of agricultural lands approved for the production of organic commodities including fruits and vegetables, dairy products, livestock on rangeland and forage crops.

Approval of this agreement is consistent with your Board's Strategic Priority Framework and stated core roles of enforcing laws and regulations to protect residents and in creating and encouraging new enterprises to meet the demand for locally produced organic agricultural commodities.

FINANCIAL IMPACT:

Approval of Cooperative Agreement No. 17-0168-000-SA provides \$8,480.00 for the period from July 1, 2017 to June 30, 2018. Payment is made in arrears in two block payments for work completed from July 1, to December 31, 2017 and from January 1 to June 30, 2018. Payments are based on invoices submitted to CDFA, with Humboldt County receiving \$60.00 for each new or amended organic registration, \$210.00 for each spot inspection, and \$70.00 for each initial visit and first organic inspection. For approved complaint investigations the county will be reimbursed by CDFA for the actual costs of conducting the investigation. No supplemental budget is necessary as revenue and expenditure accounts in the department's FY 2017-18 budget were funded in anticipation of this agreement.

OTHER AGENCY INVOLVEMENT:

CDFA, Auditor-Controller

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

One complete Cooperative Agreement No. 17-0168-000-SA and one copy of the cover page.

**COOPERATIVE AGREEMENT
SIGNATURE PAGE**

AGREEMENT NUMBER
17-0168-000-SA

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

STATE AGENCY'S NAME
CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)

RECIPIENT'S NAME
COUNTY OF HUMBOLDT

2. The term of this Agreement is: July 1, 2017 through June 30, 2018

3. The maximum amount of this Agreement is: \$8,480.00

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

Exhibit A: Recipient and Project Information	1 Page
Exhibit B: General Terms and Conditions	2 Page
Exhibit C: Payment and Budget Provisions	1 Page(s)
Attachments: Scope of Work and Budget	4 Page(s)

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

RECIPIENT

RECIPIENT'S NAME (Organization's Name)
COUNTY OF HUMBOLDT

BY (Authorized Signature)

DATE SIGNED (Do not type)



7/25/17

PRINTED NAME AND TITLE OF PERSON SIGNING
Ryan Sundberg, Vice-Chair

ADDRESS
5630 S Broadway, Eureka, CA 95503-6905

STATE OF CALIFORNIA

AGENCY NAME
CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING
CRYSTAL MYERS, BRANCH CHIEF, OFFICE OF GRANTS ADMINISTRATION

ADDRESS
1220 N STREET, ROOM 120
SACRAMENTO, CA 95814

EXHIBIT A

RECIPIENT AND PROJECT INFORMATION

1. CDFA hereby awards an Agreement to the Recipient for the project described herein
The County will perform inspections according to the California Organic Food and Farming Act

Project Title Organic Inspections Program

2. The Managers for this Agreement are

FOR CDFA:		FOR RECIPIENT	
Name	Kiley Potter	Name	Jeff Dolf
Section/Unit	INSPECTION SVCS DIV / INSPECTION AND COMPLIANCE	Section/Unit	COUNTY OF HUMBOLDT
Address	2800 Gateway Oaks Dr , Suite 100	Address	5630 S Broadway
City/State/Zip	Sacramento, CA 95833	City/State/Zip	Eureka, CA 95503-6905
Phone	(916) 900-5198	Phone	707-441-5260
Email Address	kiley.potter@cdfa.ca.gov	Email Address	agcommissioner@co.humboldt.ca.us

- 3 The Grant Administrative Contacts for this Agreement are

FOR CDFA.	FOR RECIPIENT*
Name	Name Jeff Dolf
Section/Unit	Section/Unit County of Humboldt, Agricultural Commissioner
Address	Address 5630 South Broadway
City/State/Zip	City/State/Zip Eureka, CA 95503
Phone	Phone (707) 441-5260
Email Address	Email Address jdolf@co.humboldt.ca.us
FISCAL CONTACT FOR RECIPIENT (if different from above)	
Name	Sean Quincey
Section/Unit	County of Humboldt, CAO
Address	825 South Broadway, Room 112
City/State/Zip	Eureka, CA 95501
Phone	(707) 445-7266
Email Address	squincey@co.humboldt.ca.us

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

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

This award does does not support R&D

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

EXHIBIT B

GENERAL TERMS AND CONDITIONS

1. Approval

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

2. Assignment

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

3. Governing Law

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

4. Mutual Liability

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

5. Disputes

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

6. Contractors/Consultants

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

7. Non-Discrimination Clause

The Non-Discrimination Clause applies to the extent that the requirements therein are applicable to the Federal Government. During the performance of this Agreement, Recipient and its contractors will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, and denial family care leave.

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

8. Unenforceable Provision

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

9. Excise Tax

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

10. Right to Terminate

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

11. Termination for Cause

Either party reserve the right to immediately terminate this Agreement for cause subject to written notice. However each party will have fifteen (15) calendar days after receipt of the termination notice to cure the breach. If the breach is not cured within fifteen (15) calendar days of receipt of notice, the CDFA shall reimburse the Recipient for all documented costs incurred up to the date of termination, including all non-cancellable obligations, pursuant to 2 CFR 200.471.

12. Reporting Requirements

The Recipient agrees to complete all reporting requirements listed in Scope of Work.

13. Publicity and Acknowledgement

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

14. Property Damage Claims Process

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

15. Force Majeure

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

16. Amendments

Changes to Scope of Work, Budget, or the end date, must be requested in writing to the CDFA Agreement Manager via letter, fax or email no later than sixty (60) calendar days prior to the requested implementation date. Any changes to the Scope of Work, Budget, and end date are subject to Agreement Manager approval, and, at its discretion, the Agreement Manager may choose to accept or deny these changes. A formal amendment to the Agreement is required for these changes. No amendments are possible if the Agreement is expired.

17. Suspension of Payments

Payment under this Agreement may be suspended or terminated, or both, and Recipient may be subject to debarment if the CDFA determines that Recipient has breached the terms of this Agreement. Upon discovery of any violations of the Agreement terms and conditions, Recipient will be advised in writing of the terms breached and the reasons for imposing suspension of payments. A determination of breach may be appealed in writing and post marked within ten (10) business days of the date of notification, and mailed to:

California Department of Food and Agriculture
Legal Hearing and Appeals Office
1220 N Street, Suite 400
Sacramento, CA 95814

Or delivered by email with a date/timestamp within ten (10) business days to:
CDFA.LegalOffice@cdfa.ca.gov

18. Closeout

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

19. Record Retention and Accessibility

The Recipient must retain all records relating to the Agreement for a period of three (3) years from the date of the close out notification or Agreement period, date of final resolution of any performance or financial compliance issues, whichever is later.

EXHIBIT C

PAYMENT AND BUDGET PROVISIONS

1. Invoicing and Payment

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

2. Budget Contingency Clause

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

3. Prompt Payment Clause

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

4. Allowable Line Item Shifts

The Recipient must obtain written approval from the CDFA Agreement Manager for any line-item shifts

5. Allowable Expenses and Fiscal Documentation

- A The Recipient must maintain adequate documentation for expenditures subject to this Agreement to permit the determination of the allowability of expenditures reimbursed by the CDFA under this Agreement. If CDFA cannot determine expenditures are allowable under the terms of this Agreement because records are nonexistent or inadequate according to Generally Accepted Accounting Principles, the CDFA may disallow the expenditure
- B If domestic travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable for travel within California are those established by the California Department of Human Resources (CalHR). The maximum rates allowable for domestic travel outside of California are those established by the United States General Services Administration (GSA)
- C If international travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable are those established in a per diem supplement to Section 925, Department of State Standardized Regulations

6. Budget

For a detailed budget of all the activities to be performed under the Scope of Work, see attached Budget

Organic Program Cooperative Agreement 2017/2018 Scope of Work

REGISTRATION FEES

All new, amended, and renewal organic registration applications will be approved by CDFA. For each operation the county assists with submitting a new, amended, or renewal organic registration to CDFA, the County will receive \$60.00.

SPOT INSPECTION PROGRAM

The County will be paid \$210.00 for each spot inspection completed for producers, restaurants, handlers, processors, and retail stores. Farmers' Market inspections will be paid at the rate of \$70.00 for the initial visit and first organic participant inspected, and an additional \$10.00 will be paid for each additional organic participant inspected at that market. Farmers' Market inspections include certified and non-certified Farmers' Markets, and "swap meets."

SUPPLEMENTAL SPOT INSPECTION PROGRAM

When the need arises, supplemental inspections will be approved by California Department of Food and Agriculture (CDFA) staff at the above spot inspection rates.

SURVEILLANCE RESIDUE (RANDOM) SAMPLING PROGRAM

Surveillance Residue samples, are randomly collected residue samples that are **not part of an investigation**. The County should collect these residue samples as part of its organic surveillance program/plan, to help ensure products do not contain unallowable substances. The County will be paid flat rate of \$120.00 for each Surveillance Residue sample collected.

Additional Surveillance Residue sample collections may be approved by CDFA staff as needed. The County must contact CDFA and receive authorization prior to collecting any additional samples. The County will **not** be reimbursed for any unauthorized samples collected. **Exception:** In the event that collecting a residue sample is critical, and CDFA staff is not available for approval (weekends/holidays and outside normal business hours), the county may collect the sample without prior approval. However, the county is still required to notify CDFA staff via voicemail or email. Additionally, CDFA staff may also request the County to collect additional samples. Any additional Surveillance Residue sample collections will be paid at the \$120.00 flat rate.

Please refer to the Fiscal Display for additional inspection, sampling, and reimbursement details.

COMPLAINT INVESTIGATIONS

The County will be reimbursed for each approved complaint investigation and residue sample(s), collected as part of an investigation. Complaint investigations and expenses incurred for residue samples collected as part of an investigation will be reimbursed at actual cost. Time spent preparing documents may be included as part of the investigation costs.

TRAINING

County Organic Program staff are required to go on the National Organic Program website <https://www.ams.usda.gov/services/organic-certification/training> and review the *Path to Sound and Sensible Organic Inspections* training under **Interactive Training for Organic Inspectors and Certifiers** <https://access.willinteractive.com/the-path/the-path>

The County may use up to 50 percent of its Estimated Investigation Costs, as listed in the county's Fiscal Display, for approved organic program training. This may include organic program training that county staff provide to outside agencies. Training expenses without prior authorization by CDFA will not be reimbursed.

In order to receive payment/reimbursement for complaint investigations and associated residue samples, and training expenses, County complaint investigation and training expenses must be itemized on each invoice and include hours, rate, and miles. Additionally, any expenses for residue samples collected as part of an investigation must include the name of the operation where the sample was collected and the number of samples.

DISBURSEMENT OF FUNDS

Pursuant to Chapter 10 of Division 17 (commencing with section 46000) of the California Food and Agricultural Code, CDFA will disburse funds to the County for costs incurred in the enforcement of the California Organic Foods Act.

The County will receive payments as appropriate for the following functions:

- Assisting with new, amended, and renewal registrations
- Spot inspections
- Soil and tissue residue sampling
- Complaint investigations
- Approved training

Disbursements will be made in two block payments: 1) For work completed from July 1 to December 31, 2017, and 2) for work completed from January 1 to June 30, 2018.

The County should monitor its expenditures and contact CDFA immediately if it is at risk of exceeding the total Cooperative Agreement amount.

NOTE: CDFA cannot pay/reimburse the County for organic function activities without a signed (executed) Cooperative Agreement The County should sign and return the Cooperative Agreement, in order to ensure payments for Organic Program function activities

Administrative civil penalties imposed by the County for violations of the California Organic Food and Farming Act shall conform to Administrative Civil Penalty Guidelines set forth in the California Code of Regulations and remain in the County imposing the penalty

Procedures are outlined in the Organic Program Quality Systems Manual (QSM) For additional questions, please contact the CDFA Organic Program

-Humboldt Fiscal Display – FY 2017/2018

At the discretion of the county, these inspections can be any combination of producer, handler, retailer, farmer's market, or restaurant. Uncertified operations shall be inspected prior to any certified operations.

Spot (Random) Inspection Assignments

	Amount		Rate	Total
	<u>10</u>	@	\$ <u>210 00</u>	\$ <u>2,100 00</u>
	Amount		1 st Organic Participant	Estimated Additional Organic Participants
Farmers Market	<u>4</u>	@	<u>70 00</u> + <u>12 @ \$10 00</u>	\$ <u>400 00</u>

Estimated Assisted Registrations

	Amount		Rate	Total
	<u>25</u>	@	\$ <u>60 00</u>	\$ <u>1,500 00</u>

Surveillance Residue (Random) Sampling Costs
(Not part of an investigation)

	Amount		Rate	Total
	<u>4</u>	@	\$ <u>120 00</u>	\$ <u>480 00</u>

Estimated Residue Sample & Investigation Costs
(Includes costs for residue samples taken as part of an investigation)

Total

\$ 4,000 00

Total for 2017/2018 \$ 8,480.00