

## TIMBER SEVERANCE AND REMOVAL AGREEMENT

**THIS TIMBER SEVERANCE AND REMOVAL AGREEMENT** ("Agreement") is made as of December 16, 2020, by and between Humboldt Bay Municipal Water District, a California municipal water district formed pursuant to Water Code section 71000 et seq. ("Owner") and Steve Morris Logging & Contracting, a California general partnership ("Contractor").

### Recitals

A. Owner owns real property surrounding Ruth Lake, California, which was burned by wildfire during the 2020 fire season resulting in extensive areas of dead, dying, damaged or diseased timber.

B. Owner desires to engage the services of Contractor to apply for and obtain a timber harvesting permit for the cutting and removal of all dead, dying, damaged and diseased timber located on Owner's lands identified in the attached **Exhibit A** and as recited in Section 1, below, and perform all services related the cutting and removal thereof.

C. Contractor is a California Licensed Timber Operator, License number A-8292, and desires to provide logging services to Owner for the cutting and removal of said timber.

**NOW, THEREFORE**, in consideration of the terms, covenants and conditions contained herein, the parties agree as follows:

#### 1. Contractor's Scope of Work/Obligations.

1.1. Contractor, at its sole expense, shall engage a California Registered Professional Forester to prepare and pursue approval of a timber harvesting permit and all required government approvals for the cutting, removal loading and log hauling of all dead, dying, damaged and diseased timber located on Owner's lands identified in the attached **Exhibit A** ("Owner's Property"). Said timber harvesting permit ("THP") shall be reviewed and approved by Owner, in Owner's sole discretion, prior to being submitted to Cal Fire. This shall be a "one-time" only THP, and Contractor shall have up to, but not longer than two (2) months, to procure the THP and all required government approvals, and shall apply only to dead, dying, damaged and diseased timber damaged during wildfires occurring in calendar year 2020. Contractor shall not be entitled to harvest any timber from Owner's Property that was not damaged during the wildfires occurring in 2020, unless Owner provides its express written consent, in Owner's discretion by a subsequent written amendment to this Agreement. **In the event District does not approve Contractor's proposed THP submitted for Owner's Property and Contractor and District, in their respective discretion, do not mutually approve an amended or revised THP proposal, this Agreement will automatically terminate and the Contractor and District will have no further obligations to each other.** Upon completion of the work under this Agreement or termination, whichever shall first occur, Contractor shall provide Owner copies of all mapping, programing, GIS information and other information prepared by Contractor in connection with the THP.

1.2. Contractor shall fall, buck, yard, load, and remove and haul all timber designated for removal in the THP, if obtained, in accordance with all requirements of said THP and in compliance with all applicable federal, state, and county statutes, regulations or ordinances. Non-marketable timber shall be either removed or treated on-site in accordance with the applicable slash disposal requirements of the Forest Practices Act and associated Rules and the THP. All burned trees (both marketable and non-marketable) within the approved THP will be harvested and either left on site or treated with a tub grinder and re-applied on site in a manner compliant with the applicable THP and state law.

1.3. Contractor shall commence work after the THP is approved and as soon as thereafter when weather and soil conditions permit, and continue in a diligent manner to complete the work as soon as practical.

1.4. Contractor's work shall be consistent with good workmanship performed by professional loggers in Trinity County, California. Contractor shall leave Owner's Property in a condition consistent with good logging practices. Contractor shall coordinate and cooperate with Owner to apply as much as practicable wood waste mulch produced from Contractor's Tub Grinder to Owner's property in designated locations.

1.5. Contractor shall construct the logging roads designated for construction in the THP and maintain them and related drainage structures until a Timber Operations Work Completion Report is submitted, accepted and signed off by Cal Fire. Owner shall have the right to approve or reject the number and/or location of any proposed new roads on Owner's Property, in Owner's sole discretion, in connection with Owner's review and approval of the THP. Upon completion of Contractor's logging activities, any newly constructed roads shall be decommissioned in accordance with good logging practices.

1.6. Contractor acknowledges that Owner will seek assistance pursuant to an emergency assistance program administered by the Federal Emergency Management Agency (FEMA), specifically, the program is as follows: Federal Disaster Recovery (the "FEMA Program"). Contractor acknowledges that to be eligible for FEMA assistance under the FEMA Program, any non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope. Consequently, a non-Federal entity (like Owner) must include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. Contractor acknowledges that it will be unilaterally responsible for following and complying with all terms and conditions of the FEMA Program with respect to Contractor's work under this Agreement. Owner makes no representations or warranties to Contractor, express or implied, as to whether Owner's Property will qualify for the FEMA Program.

**2. Compensation to Contractor.** Contractor shall receive the following compensation:

2.1. Log Value. To compensate Contractor for the services provided under this Agreement, Contractor shall receive one hundred percent of the value of all logs and other wood products generated from the timber harvest on Owner's Property conducted pursuant to this Agreement. Contractor shall take title to the logs and other wood products when the timber is severed from the stump. Contractor shall be solely responsible for the payment of all timber harvest and yield taxes associated with the timber removed, and shall be responsible for timely submittal of all documents related to payment of yield taxes.

2.2. FEMA Program Funds. Contractor acknowledges that Owner makes no representation or warranty, express or implied, about the availability of any funds from the FEMA Program and Owner has no contractual obligation to procure any such funds. In the event no funds or grant from the FEMA Program is received, Contractor acknowledges that its only compensation shall be what it recovers from the sale of logs severed from Owner's Property, if any.

**3. Insurance.** Contractor shall maintain in full force and effect during the entire period of this Agreement, insurance coverage as follows:

a. Commercial General Liability Insurance in amounts not less than \$1,000,000 for injury to one person and \$2,000,000 for injury to more than one person and general property damage insurance no less than \$1,000,000; including loggers' broad form property damage of \$1,000,000 per occurrence. Said policy shall name Owner as an additional insured and provide Owner with notice of cancellation thirty (30) days in advance.

b. Workmen's Compensation Insurance as required by state statute.

Prior to the commencement of operations, Contractor shall furnish to Owner certificates of insurance showing that the required policies are in effect.

**4. Indemnification.** Contractor agrees to indemnify, defend, and hold Owner harmless from any claims, demands, losses, damages, penalties, liability, suits, actions, and causes of action, and any proceedings of whatsoever nature and any expenses, including but not limited to any court costs and attorney's fees, resulting from or in any way connected with Contractor's operations pursuant to this Agreement, including by not limited to acts by Contractor's agents, employees, subcontractors, or other persons on Owner's Property in any way associated with Contractor and/or Contractor's operations.

**5. Independent Contractor.** Contractor enters into this Agreement, and will remain throughout the term of this Agreement, as an independent contractor. Contractor will determine the method, details, and means of performing the work without advice from Owner and shall furnish all labor, tools, supplies, trucks and other equipment necessary to carry out operations contemplated by this Agreement. Contractor shall pay and discharge all wages of its employees and not permit or suffer any liens, attachments, or encumbrances arising out of Contractor's operations, or otherwise, to attach to Owner's Property.

## **6. Suspension and Debarment.**

6.1. This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor is required to verify that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

6.2. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

6.3. This certification is a material representation of fact relied upon by Owner. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to Owner, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

6.4. The Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**7. Subcontractors.** Contractor shall be entitled to engage subcontractors in the performance of the logging operations under this Agreement, provided however, that any engagement of a subcontractor by Contractor shall be memorialized in writing in advance and include the same insurance and indemnity requirements as set forth in Sections 3 and 4, above.

**8. Non-Discrimination.** During the performance of this Agreement, the Contractor agrees as follows:

8.1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

8.2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

8.3. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice

to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, Current as of 1-9-17 3 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

8.4. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

8.5. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

8.6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8.7. The Contractor will include the portion of the sentence immediately preceding paragraph 8.1 and the provisions of paragraphs 8.1 through 8.7 of this Section 8 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

## **9. Clean Air Act Compliance.**

9.1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

9.2. The Contractor agrees to report each violation to the North Coast Unified Air Quality Management District and understands and agrees that the North Coast Unified Air Quality Management District will, in turn, report each violation as required to assure notification to the Humboldt Bay Municipal Water District, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

9.3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

## **10. Water Pollution Control Act Compliance.**

10.1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

10.2. The Contractor agrees to report each violation to the North Coast Regional Water Quality Control Board and understands and agrees that the North Coast Regional Water Quality Control Board will, in turn, report each violation as required to assure notification to the Humboldt Bay Municipal Water District, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

10.3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

**11. Acts of God.** Neither party hereto shall be deemed in default of this Agreement if its performance hereunder is prevented by circumstances beyond its control such as acts of God, interruptions of log deliveries by the buyers of said logs, fire, insurrection, strikes, or application of any law or regulation of any governmental agency.

## **12. Termination.**

12.1. Termination for Convenience by Owner. Owner shall have the right, which may be exercised in Owner's sole and exclusive discretion, to terminate this Agreement at any time upon provision of thirty (30) days written notice to Contractor. If Owner elects to terminate this Agreement for Owner's convenience, Contractor's sole remedy shall be as follows: (a) Contractor shall be entitled to remove and sell all damaged timber severed on Owner's Property pursuant to this Agreement severed **prior to** Contractor's receipt of Owner's written notice of cancellation; (b) Contractor shall be entitled to receive one-half (50%) of any FEMA Program proceeds actually received for damaged timber severed by Contractor from Owner's Property prior to receipt of notice of termination by Owner; (c) Contractor shall have continued access to Owner's Property for a commercially reasonable time to remove timber severed from Owner's Property prior to Contractor's receipt of written notice of termination from Owner.

12.2. Termination "For Cause". In addition to the right to terminate this Agreement for Owner's convenience as recited in Section 12.1, above, in the event that Owner or Contractor materially breaches any term or condition of this Agreement, the non-breaching party shall have the right to terminate this Agreement for cause by provision of seven (7) days written notice. In the event of termination of this Agreement for cause, Owner or Contractor may seek any and all available remedies and damages, in law or equity, caused by the breach. If immediate termination of the Agreement is necessary as a result of the breach, Owner or Contractor may seek injunctive relief or other equitable relief at any time during the seven (7) day notice period recited in this Section 12.2.

**13. Notices.** Notices to be given pursuant to this Agreement shall be deemed sufficient if in writing, delivered personally, or deposited in the United States mail, postage prepaid, addressed as follows:

If to Owner:                 John Friedenbach  
                                      General Manager  
                                      Humboldt Bay Municipal Water District  
                                      PO Box 95  
                                      Eureka, California, 95502-0095

If to Contractor:            Steve Morris  
                                      Steve Morris Logging & Contracting  
                                      1500 Glendale Drive  
                                      Arcata, California 95519

Notices sent pursuant to this Section 13 shall be deemed delivered on the following dates:  
(a) two days after deposit in United States Mail, whether certified/registered or regular mail; or  
(b) immediately if personally delivered to the party's designated notice address.

**14. Attorney's Fees.** In the event any party to this Agreement institutes any litigation or other proceeding involving interpretation or performance of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees from the non-prevailing party, in addition to any other relief to which the prevailing party may be entitled.

**15. Time of the Essence/Assignment/Complete Agreement.** Time is expressly made the essence of each and every provision of this Agreement and the provisions hereof shall be binding upon the successors and assigns of the respective parties hereto. Contractor shall not have the right to assign this Agreement or any of its rights hereunder without obtaining the prior written consent of Owner. This Agreement constitutes a full and complete understanding of the parties and may not be modified or varied in any particular whatever, except in writing, and subscribed by Contractor and Owner.

**16. Access to Records.** The following access to records requirements applies to this Agreement:

16.1. The Contractor agrees to provide California Office of Emergency Services, Humboldt Bay Municipal Water District, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

16.2. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

16.3. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

**17. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended).** Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient. Contractor shall submit this certification in the form attached as **Exhibit B.**

**18. Additional FEMA Program Requirements.** This is an acknowledgement that FEMA financial assistance will be used to fund this Agreement only. The Contractor will comply with all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives. The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA preapproval. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Agreement.

**19. Compliance with California Labor Laws.** During the course of performing its work under this Agreement, Contractor shall observe and comply with, and insure that any retained agents, employees and/or subcontractors observe and comply with, the California Labor law standards and observations collectively appended hereto as **Exhibit "C"** and incorporated by reference.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

**OWNER:**  
**Humboldt Bay Municipal Water District**

By: \_\_\_\_\_  
**John Friedenbach, General Manager**                      \_\_\_\_\_  
Date

**CONTRACTOR:**  
**Steve Morris Logging & Contracting**

By: \_\_\_\_\_  
**Steve Morris, General Partner**                      \_\_\_\_\_  
Date



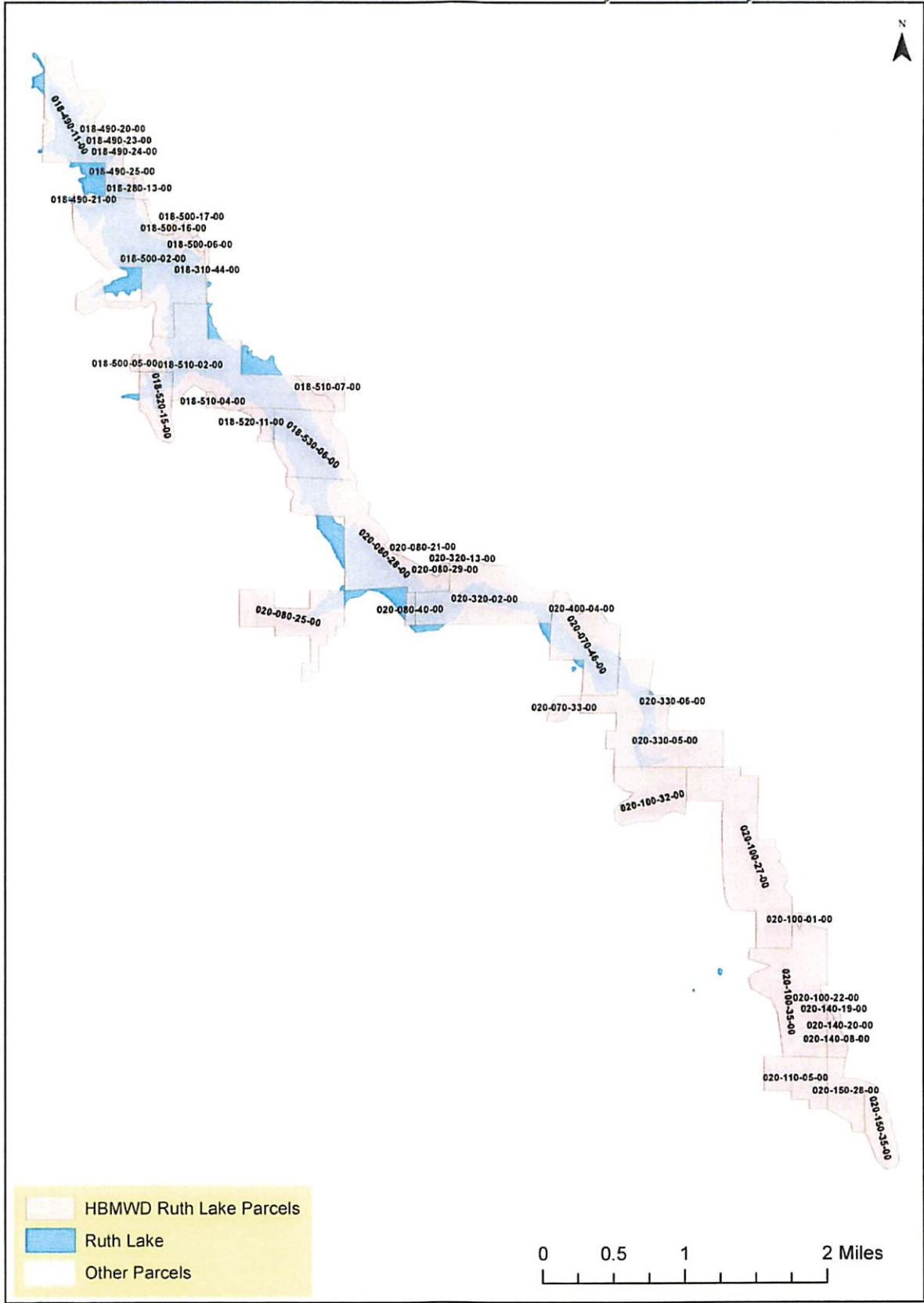
**Exhibit A:**  
**Owner's Land**

# HBMWD APN's in Trinity County

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<b>OBJECTID</b>	<b>PARCEL</b>	<b>APN</b>
3	018-490-11-00	018-490-11-00
5	018-500-02-00	018-500-02-00
7	018-510-02-00	018-510-02-00
10	018-810-47-00	018-810-47-00
12	020-320-02-00	020-320-02-00
13	020-070-46-00	020-070-46-00
15	020-080-40-00	020-080-40-00
17	020-330-05-00	020-330-05-00
18	020-100-27-00	020-100-27-00
21	020-100-32-00	020-100-32-00
24	020-100-35-00	020-100-35-00
25	020-140-08-00	020-140-08-00
26	020-150-28-00	020-150-28-00
27	018-530-06-00	018-530-06-00
28	018-520-15-00	018-520-15-00
30	018-520-11-00	018-520-11-00
32	018-500-05-00	018-500-05-00
33	020-080-28-00	020-080-28-00
35	020-070-65-00	020-070-65-00
36	020-070-33-00	020-070-33-00
37	020-080-25-00	020-080-25-00
38	020-080-33-00	020-080-33-00
39	020-100-76-00	020-100-76-00
40	020-100-01-00	020-100-01-00
41	020-110-05-00	020-110-05-00
42	020-360-09-00	020-360-09-00
43	020-150-35-00	020-150-35-00

# Humboldt Bay Municipal Water District Ruth Lake Parcels in Trinity County, CA



All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness, completeness. The burden for determining accuracy, completeness, timeliness, merchantability and fitness for or the appropriateness for use rests solely on the requester. The Humboldt Bay Municipal Water District makes no warranties, express or implied, as to the use of the information obtained here. There are no implied warranties of merchantability or fitness for a particular purpose. The requester acknowledges and accepts all limitations, including the fact that the data, information, and maps are dynamic and in a constant state of maintenance, correction and update.

Map By:  
Humboldt Bay Municipal Water District

Coordinate System:  
NAD\_1983\_StatePlane\_California\_I\_FIPS\_0401\_Feet

Source:  
CAD drawing projected in an undefined relative coordinate system georeferenced to a 2002 Matthews Dam Cross Section survey

**Exhibit B:**  
**Byrd Anti-Lobbying Amendment Certification Regarding Lobbying - 44 C.F.R. PART 18 -  
Certification for Contracts, Grants, Loans, and Cooperative Agreements**  
**(To be submitted with each bid or offer exceeding \$100,000)**

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or Current as of 1-9-17 11 cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor Steve Morris Logging & Contracting, a California general partnership, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

\_\_\_\_\_  
**Steve Morris, General Partner**

Date: \_\_\_\_\_

## **Exhibit C: California Labor Laws**

### **1. Determination.**

The Work to be provided by Contractor under this Agreement constitute a Public Work within the meaning of California Labor Code Sections 1720 and 1720.3. Accordingly, and as required by Section 1771 of the California Labor Code, Contractor and any subcontractor under him, shall pay not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holiday and overtime work, to all workers employed in the execution of those Work items described in this Agreement.

### **2. Prevailing Wage Rate.**

The general prevailing rate of per diem wages applicable to each class of worker employed in the execution of the Work that constitute a Public Work described in this Agreement has been determined by the Director of the California Department of Industrial Relations (hereinafter referred to as "Director"). The Director's determination is available through a link to CA Department of Industrial Relations website (2019): <http://www.dir.ca.gov>.

### **3. Apprentices.**

Pursuant to Section 1777.5 of the California Labor Code, properly registered apprentices performing services and work that constitute a Public Work, if any, shall be paid the standard wage paid to apprentices under the regulations of the craft or trade at which he or she is employed, and shall be employed only at the work of the craft or trade to which he or she is registered.

### **4. Penalty for Non-Payment of Prevailing Wages.**

Pursuant to Section 1775 of the California Labor Code, Contractor, and any subcontractor under him or her, shall as a penalty to the Owner, forfeit not more than two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each worker paid less than the general rate of per diem wages for the performance of services and work that constitute a Public Work, as determined by the Director of Industrial Relations, for the work or craft for which the worker is employed in the performance of the Work provided under this Agreement that constitute a Public Work, except as provided by subdivision (b) of Section 1775, of the California Labor Code.

### **5. Payroll Records.**

Pursuant to Section 1776 of the California Labor Code, Contractor, and any subcontractor under him, shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the performance of the Work requested by the Owner, as

described in the Scope of Work of this Agreement. Failure to provide certified payrolls and supporting documentation within 10 days of request by the Owner or the DIR may result in penalties of one hundred dollars (\$100.00) per day per worker for each day the requested information is late (beyond the initial 10days).

**6. Inspection of Payroll Records.**

Contractor, and any subcontractor under him, shall comply with each of the additional requirements set forth in California Labor Code Section 1776, regarding: (1) the form of records; (2) the provision of records upon request to the Owner, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the California Department of Industrial Relations; and, (3) the inspection of records by the public.

**7. Posting of Prevailing Wages at Job Sites.**

Pursuant to California Labor Code Section 1773.2, Contractor shall post at each job site in connection with this Agreement a copy of the Director's determination of the general prevailing rate of per diem wages for each classification of work required in the execution of the Work of this Agreement that constitute a Public Work.

**8. Hours.**

Pursuant to Section 1811 of the California Labor Code, the time of services of any worker employed by Contractor, or by any subcontractor under him, in the performance of the Work described in the Scope of Work of this Agreement that constitute a Public Work, is limited and restricted to eight hours during any one calendar day, and 40 hours during any one calendar week, except as otherwise provided by the California Labor Code.

**9. Overtime.**

Pursuant to California Labor Code Section 1815, the performance of the Work, as described in the Scope of Work of this Agreement that constitute a Public Work, by employees of Contractor, or employees of any subcontractor under him, in excess of eight hours per calendar day or 40 hours per week shall be compensated at a rate of not less than one and one-half (1 ½ ) times the basic rate of pay.

**10. Records of Hours.**

Contractor, and any subcontractors under him, shall keep an accurate record showing the name of and actual hours worked each calendar day and each calendar week by each worker employed by him or her in connection with the performance of the Work requested by the Owner, as described in the Scope of Work of this Agreement. The record shall be kept open at all reasonable hours to the inspection of the Owner and to the Division of Labor Standards Enforcement as required by Labor Code Section 1812.

**11. Penalty for Violation of Work Hours.**

Pursuant to California Labor Section 1813, Contractor, and any subcontractors under him, shall, as a penalty to the Owner, forfeit twenty-five dollars (\$25.00) for each worker employed by the respective Contractor or subcontractor in the execution of the Work requested by the Owner that constitute a Public Work, as described in the Scope of Work of this Agreement, for each calendar day during which the worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of the California Labor Code.

**12. Contractor Registration Requirements**

No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

All contractors/subcontractors and related construction services subject to prevailing wage, including but not limited to: trucking, surveying and inspection work must be registered with the Department of Industrial Relations as a "public works contractor". Those who fail to register and maintain their status as a public works contractor shall not be permitted to perform work on the project.

**13. Department of Industrial Relations Jurisdiction**

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

**14. Payment Conditioned on Full Labor Compliance**

The Owner may withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et seq., the Owner may continue to hold sufficient funds to cover estimated wages and penalties under the Agreement and Contract Documents.