

## California Department of Transportation



ADMINISTRATION  
DIVISION OF PROCUREMENT AND CONTRACTS  
1727 30<sup>th</sup> STREET, MS 65  
SACRAMENTO, CA 95816-7006  
PHONE (916) 227-6000  
TTY 711  
<https://dot.ca.gov/programs/procurement-and-contracts/>

February 13, 2025

**Invitation for Bid (IFB)  
IFB # 81A0178  
Notice to Prospective Bidders**

You are invited to review and respond to this **IFB 81A0178**, titled **Collection Services**. In submitting your bid, you shall comply with the instructions found herein. In addition to those programs and preferences that are specified in this solicitation, Prospective Contractors are encouraged to consider programs and preferences that are available, such as those for the use of small businesses, disadvantaged businesses, disabled veteran businesses, and other businesses covered by State and Federal programs and preferences.

As required by Executive Order S-02-06, the California Department of Transportation (Caltrans) is committed to meeting the State's twenty-five percent (25%) Small Business (SB) participation goal. Certified SBs, Micro Businesses (MB) and Contractors willing to commit to subcontracting a minimum of twenty-five percent (25%) of their net price to certified SBs or MBs (if applicable) are encouraged to submit bids. See **Section D, Special Programs** in this IFB for requirements.

A Disabled Veteran Business Enterprise (DVBE) participation requirement is not required, but DVBE participation is encouraged, and a DVBE incentive does apply to this IFB. See **Section D, Special Programs** in this IFB for requirements.

The designated contact person for this IFB is:

Laura Heberle  
California Department of Transportation (Caltrans)  
Email address: [laura.heberle@dot.ca.gov](mailto:laura.heberle@dot.ca.gov)  
Phone: (279) 234-2526

Please note that no **verbal** information given will be binding upon Caltrans unless such information is issued in writing as an official addendum.

\*Technical questions regarding this solicitation will be addressed, in writing, and in accordance with the Questions and Answers portion of this IFB. See **Section C, Time Schedule** for more details.

**ALL REQUIRED DOCUMENTS ARE EITHER ATTACHED (ATTACHMENTS 1, 2 & 4) OR THE DOCUMENT LINK IS PROVIDED ON ATTACHMENT 3, REQUIRED DOCUMENTS.**

Sincerely,

*Laura Heberle*

Contract Analyst

**A) Purpose and Description of Services**

1. Contractor shall furnish all labor, materials, equipment, account interfacing and expertise to maximize collection(s) of delinquent Accounts Receivable (AR) referred by Caltrans Division of Accounting. Contractor must have experienced staff to effect collections through written communications with debtors, skip tracing to verify existing and correct addresses, report bad debts to a credit reporting bureau, negotiate compromise settlements, obtain court judgments, and enforce those judgments.
2. Refer to the **Proposed Form of Agreement, Exhibit A**, which is attached to this IFB, for a more complete description of services.
3. Contractor must perform the legal services under this contract. Legal services cannot be subcontracted.
4. Historical Information – The following table represents the approximate number of monthly placements and their value. This information is given solely for the purpose of assisting the bidder in determining a reasonable commission rate.

Timeframe	Average Monthly Placements*	Average Dollar value of Monthly Placements **
March 11, 2022 through May 14, 2022	320	\$1,765,000.00
July 1, 2022 through June 30, 2023	355	\$1,340,000.00
July 1, 2023 through June 30, 2024	296	\$1,550,000.00

Please note the following:

\*Average Monthly Placements are the accounts given to the Contractor from Caltrans.

\*\*Average Dollar Value of Monthly Placements are the amounts possible for collections by the Contractor.

**B) Bidder’s Minimum Qualifications**

1. Bidder must possess, at the time of bid submittal, a minimum of four (4) years’ experience performing collection services with a history of collecting either (Option 1) \$1,500,000.00 per calendar year or (Option 2) demonstrating a minimum success rate of 32%. Bidder must complete and submit **Attachment 4 (Experience Letter and Certification Statement)** to document their attainment of this minimum qualification. Failure to comply will result in a non-responsive/rejected bid.
  - A. Bidder’s four (4) years’ experience must be within the last ten (10) calendar years, 2013 – 2023.
  - B. Bidder’s years of experience must be consecutive, and a single calendar year must be listed only once.
  - C. Bidder’s **Experience Letter and Certification Statement (Attachment 4)** may include instances of meeting the criteria of Option 1, Option 2, or a combination of both.
  - D. Bidder may submit multiple **Experience Letter and Certification Statements (Attachment 4)**.
2. Bidder must maintain all required collection agency licenses and bonds for all 50 states, as applicable per State law requirements. Bidder must complete the Certification Statement within **Attachment 4 (Experience Letter and Certification Statement)** to document their acceptance of

this requirement. Failure to complete the Certification Statement will result in a non-responsive/rejected bid.

3. If awarded the contract, Bidder must comply with the insurance requirements listed with **Attachment 5 (Proposed Form of Agreement), Exhibit E (Additional Provisions), Item 2 (Insurance)**. Bidder must complete the Certification Statement within **Attachment 4 (Experience Letter and Certification Statement)** to document their acceptance of this requirement. Failure to complete the Certification Statement will result in a non-responsive/rejected bid.
4. Bidder must employ an attorney licensed to practice law in California, at the time of bid submittal and for the duration of the Agreement, if awarded. Bidder must provide the requested information within **Attachment 4 (Experience Letter and Certification Statement)** to document their attainment of this requirement. Caltrans will verify attorney licenses via the following online database - [Attorney Search - The State Bar of California \(http://members.calbar.ca.gov/fal/LicenseeSearch/QuickSearch\)](http://members.calbar.ca.gov/fal/LicenseeSearch/QuickSearch). Failure to comply with this minimum qualification will result in a non-responsive/rejected bid.
5. Failure of Bidder to sufficiently meet any or all the minimum qualifications, in the opinion of Caltrans, will result in the Bidder's bid deemed non-responsive.

**C) Bid Requirements and Information**

**1. Time Schedule**

It is recognized that time is of the essence. All bidders are hereby advised of the following schedule and will be expected to adhere to the required dates and times.

Event	Date	Time (Pacific Time)
IFB available to prospective bidders	2/13/2025	
Written Question Submittal	2/20/2025	5:00 p.m.
Final Date and Time for Bid Submission	3/04/2025	2:00 p.m.
Bid Opening	3/04/2025	2:30 p.m.
Proposed Award Date (estimate)	3/14/2025	

**2. Questions and Answers**

- A. Questions regarding this IFB must be submitted by **5:00 p.m. on February 20, 2025**. Bidders must submit their questions via e-mail to [laura.heberle@dot.ca.gov](mailto:laura.heberle@dot.ca.gov).
- B. Written questions must include: the individual's name, firm name, e-mail address and must reference **IFB No. 81A0178**.
- C. Written responses to all questions will be collectively compiled and posted, as an Addendum, to the Cal eProcure website (<https://caleprocure.com/pages/index.aspx>). It is the responsibility of the bidder to access the Cal eProcure website for any changes or addenda that may be posted. Refer to this **Section C, Time Schedule** for the schedule of events and dates/times. Bidder can contact the Contract Analyst named above.

**3. Costs Included in Bid Rates**

Bid prices/rates shall include the cost of employer payments to or on behalf of employees, subsistence, travel, compensation insurance premiums, unemployment contributions, social security taxes, contract bond premiums, and any other taxes or assessments, **including but not limited to, sales and use taxes** required by law or otherwise and no additional allowance will be paid unless separate payment provisions in the Agreement should specifically provide otherwise.

#### 4. **Small Business Preference**

SB Preference will be granted on this IFB. Only firms certified as a "Small Business" or "Micro Business" with the Department of General Services (DGS), Office of Small Business and DVBE Service (OSDS) or contractors who commit to subcontracting a minimum of 25 percent (25%) of their net bid price to SB or MB, in the categories most appropriate to accomplish the prescribed services, will be granted this preference. For more information, refer to **Section D, Special Programs**.

#### 5. **Mandatory Organic Waste Recycling**

Contractor generating organic waste or commercial solid waste shall comply with SB 1383; also Contractor will arrange for the recycling services required by this section in a manner that is consistent with State and local laws and requirements, including a local ordinance or local jurisdiction's franchise agreement, applicable to the collection, handling, or recycling of organic waste and commercial solid waste. This requirement does not modify, limit, or abrogate Contractor's right to sell or donate its recyclable organic waste materials consistent with the requirements of Public Resources Code Sections 42649.8 et seq. When applicable, Contractor must comply with these provisions.

#### 6. **Motor Carrier Permit Requirements**

- A. Contractor is responsible for determining whether California Vehicle Code Sections 34601 and 34620 require Contractor to have a valid Motor Carrier Permit (MCP) issued by the Department of Motor Vehicles (DMV) in order for Contractor to lawfully perform any part or aspect of the work described in **Proposed Form of Agreement, Exhibit A** and, if California Vehicle Code Sections 34601 and 34620 do require same for any part or aspect of such work, Contractor must have a valid MCP(s) issued from the DMV for its services as a Motor Carrier of Property under this Agreement. Contractor shall pay any required fees necessary to obtain and maintain in good standing during the entire term of this Agreement the any such required MCP(s).
- B. The MCP(s), if any, required for Contractor's Motor Carriers of Property under California Vehicle Code Sections 34601 and 34620 shall be on file with Contractor for the duration of this Agreement. Upon request of Caltrans Contract Manager, Contractor must immediately provide to Caltrans a copy of the required MCP(s), if any.

#### 7. **Subcontractors**

Bidder may subcontract portions of the work as defined in the attached **Proposed Form of Agreement, Exhibit A**. If subcontractors are used, complete the **Bidder Declaration (GSPD-05-105)**. Bidder must ensure that the subcontractor(s) will have all necessary licenses, permits, and/or certifications to accomplish its portion of the work. Failure of a subcontractor(s) to have the proper licenses, permits, and/or certifications, shall be cause for rejection of bid.

#### 8. **Standard Title VI/Nondiscrimination Assurances (DOT Order No. 1050.2A)**

Caltrans, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Statute 252, 42 USC Sections 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any Agreement entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

#### 9. **Insurance**

- A. The bidder who receives the Agreement award, will be requested to provide a Certificate of Insurance providing proof of insurance to the Division of Procurement and Contracts within 10

working days after the date of notification of award. The State's Office of Risk and Insurance Management will review insurance certificates and/or proof of self-insurance documentation before execution of the Agreement. Refer to the **Proposed Form of Agreement, Exhibit E**, for the applicable and specific Insurance requirements and coverage limits.

- B. The insurance carrier shall provide an endorsement for the additional insured statement as follows:

**Caltrans, State of California, its officers, agents, and employees shall be included as additional insured, but only with respect to work performed for the State of California under this Agreement.**

- C. The additional insured endorsement must accompany the certificate of insurance.

- D. Satisfying A Self-Insured Retention (SIR)

All insurance required by this Agreement must allow, but not require, the State to pay any SIR and/or act as Contractor's agent in satisfying any SIR. The choice to pay any SIR and/or act as Contractor's agent in satisfying any SIR is at the State's discretion. If the State chooses to pay any SIR and/or act as Contractor's agent in satisfying any SIR, Contractor shall reimburse the State for the same.

- E. Available Coverages/Limits

In the event the insurance coverages obtained by Contractor is broader in scope than, and/or the limits are higher than, those required under the Agreement, all such broader coverage and/or higher limits available to Contractor shall also be available and applicable to the State.

## 10. California Civil Rights Laws

Any person that submits a bid or proposal to, or otherwise proposes to enter into or renew an Agreement with, a state agency with respect to any Agreement in the amount of one hundred thousand dollars (\$100,000) or more shall certify, under penalty of perjury, at the time the bid or proposal is submitted or the Agreement is renewed, that they satisfy all of the conditions set forth in California Public Contract Code Section 2010 and they shall execute the **California Civil Rights Laws Certification (ADM-0076)**, provided as a link in **Attachment 3 Required Documents**, completed, signed, and returned with its bid or proposal.

## 11. Darfur Contracting Act

- A. The Darfur Contracting Act, Public Contract Code Section 10475-10481, applies to any company that currently or within the previous three (3) years has had business activities or other operations outside of the United States. The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code Section 10475. All bidders shall complete the **Darfur Contracting Act Certification (ADM-0077)**, provided as a link in **Attachment 3 Required Documents**, and submit with the proposal.
- B. If your company has not, within the previous three (3) years, had any business activities or other operations outside of the United States, complete **Option 1** on **ADM-0077**.
- C. A scrutinized company is a company doing business in Sudan as defined in Public Contract Code Section 10476. Scrutinized companies are ineligible to, and cannot bid on, or submit a bid or proposal for an Agreement with a State agency for goods or services. (Pub. Cont. Code Section 10477(a)).
- D. Therefore, Public Contract Code Section 10478(a) requires a company that currently has (or within the previous three (3) years has had business activities or other operations outside of

the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency.

- E. A scrutinized company may still, however, submit a bid or proposal for an Agreement with a State agency for goods or services if the company first obtains permission from the Department of General Services according to the criteria set forth in Public Contract Code Section 10477(b).

## 12. Iran Contracting Act

- A. Pursuant to the Iran Contracting Act of 2010 (Pub. Cont. Code Sections 2200 et seq., hereinafter “the Act”), persons identified on the list established under Public Contract Code Section 2202.5 (hereinafter “List”) are ineligible to bid on, submit a proposal for, enter into, or renew any Agreement with the State for goods or services of one million dollars or more.
- B. Any person who submits a bid or proposal must complete and submit to Caltrans with its bid proposal, the **Iran Contracting Act Certification (ADM-0078)**, provided as a link in **Attachment 3 Required Documents**, certifying that it is not on the most current List unless the person is exempted from the certification requirement by Public Contract Code Section 2203(c) or (d). If claiming an exemption, the person shall provide written evidence that supports an exemption under Public Contract Code Section 2203(c) or (d) with its bid or proposal.
- C. Any person, for an Agreement that is exempt from bidding or is renewed, or for whom an Agreement is otherwise awarded by the State, must complete and submit to Caltrans **ADM-0078**, certifying that it is not on the most current List, before the Agreement has been executed by the parties, unless the person is exempted from the certification requirement by Public Contract Code Section 2205(c) or (d). If claiming an exemption, the person shall provide written evidence that supports an exemption under Public Contract Code Section 2203(c) or (d), before execution of the Agreement.

## 13. 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 unless the contract has been Federalized (i.e. there is federal participation in any phase). By submitting a bid or proposal, Contractor represents that it is not a target of Economic Sanctions. 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 rejection of the Contractor’s bid/proposal any time prior to contract execution, or, if determined after contract execution, shall be grounds for termination by the State.

## 14. Executive Order N-12-23 – Generative Artificial Intelligence (GenAI) Technology Use and Reporting

- A. The State of California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies.
- B. Bidder/Offeror/Contractor must notify the State in writing if their solution or service includes, or makes available, any GenAI including GenAI from third parties or subcontractors.
- C. The State has developed a [GenAI Reporting and Factsheet \(STD 1000\)](#) to be completed by the Bidder/Offeror/Contractor.

- D. Failure to submit the GenAI Reporting and Factsheet (STD 1000) will result in disqualification of the Bidder/Offeror/Contractor.
- E. Failure to report GenAI to the State may void any resulting contract. The State reserves its right to seek any and all relief it may be entitled to as a result of such non-disclosure.
- F. Upon receipt of a Bidder / Offeror / Contractor GenAI Reporting and Factsheet (STD1000), the state reserves the right to incorporate GenAI Special Provisions into the final contract or reject bids/offers that present an unacceptable level of risk to the state.

**15. Bid Submittal**

- A. All bids must be submitted and received by Caltrans Division of Procurement and Contracts, Bid Unit, by dates and times shown in **Section C, Bid Requirements and Information**.
- B. The mailing package/envelope should be labeled as follows:

**Note: All packages not clearly or properly labeled as indicated below, including overnight mail and hand delivered packages, may be rejected.**

<p>YOUR RETURN ADDRESS</p>	<p><b>Agreement No. 81A0178</b> <b>Bid Due Date: 3/4/2025</b> Bid Due Time: 2:00 p.m. <b>Bid Opening Date: 3/4/2025</b> Bid Opening: 2:30 p.m. <b>Attention: Laura Heberle</b></p> <p>California Department of Transportation (Caltrans) Division of Procurement and Contracts ATTN: Bid Unit 1727 30th Street, 4<sup>th</sup> Floor, MS 65 Sacramento, CA 95816-7006</p> <p><b>BID SUBMITTAL DO NOT OPEN</b></p>
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- C. **Late bids will not be considered.**
- D. All bids shall include the documents identified on the IFB's **Required Documents, located at the end of the solicitation**. Bids not including the required documents may be deemed non-responsive. A non-responsive bid is one that does not meet the basic bid requirements.
- E. Only an individual who is legally authorized to bind the proposing firm contractually shall sign all documents requiring a signature, and each document must bear a signature.
- F. If your bid is hand delivered, you must date and time stamp the sealed envelope/package immediately upon arrival. The date/time stamp machine is located in the lobby on the first floor to the right of the security guard station at the address noted above. After date/time stamping, the bid should be placed in the locked bid cabinet located below the time stamp. If the bid package is too large to be electronically stamped, date/time stamp one of the labels provided and attach it to the proposal package. When the bid package is too large for the locked bid cabinet, ask the security guard to call the Division of Procurement and Contracts reception desk at (916) 227-6000 to have your bid package picked up.
- G. Bid opening will be held via teleconference at **2:30 p.m.** on the date specified in **Section C, Bid Requirements and Information**. Bidders may participate via teleconference by calling **1-866-700-7952** and entering the pass code **7089821#**. Calls will be accepted beginning at **2:20**

**p.m.** until the conclusion of the bid opening. Bids will be read in Agreement numeric order; questions will not be allowed; and information will not be repeated. Initial bid opening results will be posted online on the Division of Procurement and Contracts website at <https://dot.ca.gov/programs/procurement-and-contracts/bid-results> by 3:00 p.m. on the day following the bid opening. The Agreement will be awarded to the lowest responsible bidder meeting the requirements outlined in the IFB after verification and applicable incentives are applied as stated in **Evaluation and Selection** below.

- H. Bids must include the performance of all the services described herein. Any attempt to modify the bid document to deviate from the work specifications will not be considered and will cause a bid to be rejected.
- I. A bid may be rejected if it is conditional, incomplete, or if it contains any alterations of form or other irregularities of any kind. Caltrans may reject any bid on the basis that it is not responsive or from a non-responsible bidder and may waive any immaterial deviation in a bid. Caltrans waiver of an immaterial defect shall in no way modify the IFB document or excuse the bidder from full compliance with all requirements if awarded the Agreement.
- J. Costs for developing bids and in anticipation of award of an agreement is entirely the responsibility of the bidder and shall not be charged to the State.
- K. Only an individual who is authorized to bind the bidding firm contractually shall sign the attached **Bid/Bidder Certification Sheet**. The signature must also indicate the title or position that the individual holds in the firm. A bid with an unsigned **Bid/Bidder Certification Sheet** may be rejected.
- L. A bidder may modify a bid after its submission by first withdrawing the original bid and then by resubmitting a new bid prior to the bid submittal deadline. Bidder modifications offered in any other manner, oral or written, will not be considered.
- M. A bidder may withdraw a bid by, prior to bid opening, submitting a written withdrawal request to Caltrans, at [DPAC.BidUnit@dot.ca.gov](mailto:DPAC.BidUnit@dot.ca.gov), signed by the bidder or an agent authorized in accordance with **Section K** above. A bidder may thereafter submit a new bid prior to the bid submittal deadline. Bids may not be withdrawn without cause subsequent to bid submittal deadline. Please contact the Caltrans analyst located on page 1 of this IFB with any questions.
- N. Caltrans may modify the IFB prior to the date fixed for submission of bids by the issuance of an addendum sent to all parties who received a bid package.
- O. Caltrans reserves the right to reject all bids for reasonable cause.
- P. Bidders are cautioned not to rely on Caltrans during its evaluation process to discover and report to the bidder any defects and/or errors in the submitted documents. Before submitting their documents, bidders should carefully proof them for errors and full adherence to the IFB requirements.
- Q. Where applicable, the bidder should carefully examine work sites and specifications. Bidder shall investigate conditions, character, and quality of surface or subsurface materials or obstacles that might be encountered. No additions or increases to the Agreement amount will be made due to a lack of careful examination of work sites and specifications.
- R. Caltrans does not accept alternate agreement language from a bidder. A bid with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable. Also, the winning bidder(s) must complete, sign, and submit all pages of the Contractor Certification Clauses (CCC 04/2017) as part of the Agreement award process. Both the GTC 04/2017 and CCC 04/2017 may be viewed at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.



## 16. Evaluation and Selection

- A. At the time of bid opening, each bid proposal's total and any small business and/or micro business information (if applicable) will be read aloud. Bids are considered preliminary pending review and verification of applicable bid requirements such as: small business preference, incentives, DVBE, DBE, licensing, bonding, qualifications, or other requirements as stated in the IFB. Agreements will be awarded to the lowest responsive and responsible bidder.
- B. Each bid will be checked for the presence or absence of required information in conformance with the submission requirements of this IFB. Caltrans will check the bid submittal package to verify it received all required documents. Positive verification of required documents will be performed to determine its responsiveness to the State's needs.
- C. Bids that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the bidder, shall be rejected.
- D. The Agreement, if awarded, shall be awarded to the responsible bidder who submits the lowest bid and meets all the specifications. A bid meets the specifications if it complies with all the requirements in this solicitation. In the event of a tie bid, Caltrans will draw lots to determine the successful bidder. Only one (1) bid may be submitted by an entity: individual, firm, partnership, corporation, joint venture, or combination thereof. Receipt of more than one (1) bid from an entity will result in all bids from that entity being rejected and returned to the bidder.

## 17. Award

- A. Preliminary bid results may be viewed on the internet after 3:00 p.m. on the first (1<sup>st</sup>) business day following the bid due date at <https://dot.ca.gov/programs/procurement-and-contracts/bid-results>.
- B. Whenever an Agreement is awarded under a procedure that provides for competitive bidding, but the Agreement is not to be awarded to the low bidder, the low bidder shall be given notice five (5) working days prior to the award of the Agreement by email.
- C. Upon written request by any bidder, the Notice of the Intent to Award shall be posted in a public place in the office of the awarding agency, as well as online at <https://dot.ca.gov/programs/procurement-and-contracts/notices-of-intent-to-award>, for at least five (5) working days prior to awarding the Agreement. This information can also be obtained by contacting the Contract Analyst directly.
- D. Upon award of the Agreement, Contractor shall complete and submit to Caltrans, the Payee Data Record (STD 204), to determine if Contractor is subject to State income tax withholding pursuant to California Revenue and Taxation Code Section 18662 et seq. This form can be found on the Internet at <https://www.dgs.ca.gov/PD> under the heading Forms. No payment **shall be made unless a completed STD 204 has been returned to Caltrans.**

## 18. Protest

Bidders have the right to protest the award of Caltrans Agreements subject to the following processes and procedures.

- A. Filing a Protest: The initial protest must be submitted to DGS, Office of Legal Services, and Caltrans, Protest Unit, prior to the award of the Agreement. When a protest has been submitted, the Agreement shall not be awarded until either the protest has been withdrawn or DGS has decided the matter. The written protest must be sent, either via e-mail or regular mail, to the addresses below:

<b>California Department of Transportation (Caltrans) Division of Procurement and Contracts</b> Attention: Bid, Protest, and Dispute Branch Chief 1727 30 <sup>th</sup> Street, MS 65 Sacramento, CA 95816 <b>Phone Number:</b> (916) 639-6340 <b>Email:</b> <a href="mailto:DPAC.Protest.Disputes.Terminations@dot.ca.gov">DPAC.Protest.Disputes.Terminations@dot.ca.gov</a>	<b>Department of General Services Office of Legal Services</b> Attention: Bid Protest Coordinator 707 Third Street, 7 <sup>th</sup> Floor, Suite 7-330 West Sacramento, CA 95605 <b>Phone Number:</b> (916) 376-5080 <b>Email:</b> <a href="mailto:OLSProtests@dgs.ca.gov">OLSProtests@dgs.ca.gov</a>
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- B. Within five (5) days after filing the initial protest, the protesting bidder shall file with DGS and Caltrans, Protest Unit a full and complete written statement specifying the grounds for the protest. The full written protest statement must be sent to the same addresses above.

**Note:** E-mail is the preferred method of protest delivery. If a bidder uses regular mail, It is suggested that you submit any protest by certified or registered mail.

### 19. Standard Conditions of Service

- A. Service shall not begin prior to the express date set by Caltrans Contract Manager and Contractor, after all approvals have been obtained, and the Agreement is fully executed. Should Contractor fail to commence work at the agreed upon time, Caltrans Contract Manager, upon five (5) days written notice to Contractor, reserves the right to terminate the Agreement. In addition, Contractor shall be liable to Caltrans for the difference between Contractor's bid price and the actual cost of performing work by the second lowest bidder or by another Contractor.
- B. All performance under the Agreement shall be completed on or before the termination date of the Agreement.
- C. Antitrust Provisions
- 1) In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 USC Section 15 or under the Cartwright Act Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder (Gov. Code Section 4552).
  - 2) If the awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid.
  - 3) Upon demand in writing by the assignor, the assignee shall, within one (1) year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action (Gov. Code Section 4554).
- D. If the bidder is awarded the Agreement and refuses to sign the Agreement presented for signature within the time and manner required, the bidder will be liable to Caltrans for actual damages resulting to Caltrans therefrom or 10 percent (10%) of the amount bid, whichever is less.

- E. Loss Leader usage is prohibited in this solicitation: It is unlawful for any person engaged in business within this State to sell or use any article or product as a "loss leader" as defined in California Business and Professions Code Section 17030. "Loss Leader" means any article or product sold at less than cost: a) where the purpose is to induce, promote or encourage the purchase of other merchandise; or b) where the effect is a tendency or capacity to mislead or deceive purchasers of prospective purchasers; or c) where the effect is to divert trade from or otherwise injure competitors.
- F. No oral understanding or agreement shall be binding on either party.

#### D) Special Programs

The following Special Programs are applicable to this IFB.

##### 1. Small Business (SB) or Microbusiness (MB) Preference

- A. Government Code Section 14835 et seq. requires that a five percent (5%) preference be given to contractors who qualify as a Certified SB or MB. References to a small business (SB) shall also include micro-business (MB). The rules and regulations of this law, including the definition of a SB for the delivery of services, are contained in Title 2, California Code of Regulations, Section 1896 (2 CCR Section 1896) et seq.
- B. To claim the SB or MB preference, Contractor must have its principal place of business located in California, satisfy all of the SB or MB requirements, and be certified by the California Department of General Services (DGS), Office of Small Business and Disabled Veteran Business (DVBE) Services (OSDS). The preference amount may not exceed fifty thousand dollars (\$50,000) for any bid. If prospective contractor is claiming the five percent (5%) certified SB or MB preference, complete Section 16 of the attached **Bid/Bidder Certification Sheet**. Additionally, Contractor may satisfy the non-SB requirements described below.
- C. Pursuant to Government Code Section 14838 and 2 CCR Section 1896, if a bidder is not a certified SB, but wishes to be eligible for the five percent (5%) non-small business (NSB) preference, the bidder must subcontract at least twenty five percent (25%) of its net bid price to one or more certified SBs. If bidder is claiming the five percent (5%) non-SB (NSB) preference, complete Section 17 of the attached **Bid/Bidder Certification Sheet**, as well as **Bidder Declaration (GSPD-05-105)**. The bidder shall list the names of all certified SB firms being claimed for credit. Bidders must include quotes from each SB subcontractor, on the subcontractor letterhead. The quote must at minimum include the following: 1) type of services performed, or goods supplied 2) estimated hours, or quantity of goods 3) hourly rate, or unit price 4) total quote amount.
- D. Certified SB and MB bidder(s) shall have precedence over NSB bidders in the application of SB preference(s).
- E. SB preferences may not be applied to any bid deemed non-responsive with the solicitation instructions or from a non-responsible bidder.
- F. Questions regarding the certification approval process or SB program should be directed to OSDS at (800) 559-5529 or (916) 375-4940, or by email: [osdshelp@dgs.ca.gov](mailto:osdshelp@dgs.ca.gov).
- G. SB or MB bidders or bidders using the "Non-Small Business" preference shall be granted a preference consisting of five percent (5%) of the lowest responsible bidder's total bid if the lowest bid is from a non-certified SB or MB.
- H. Additional references are at <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>.

## 2. Disabled Veteran Business Enterprise (DVBE) Programs

### A. DVBE Participation Program with **No** Participation Requirements:

DVBE participation is not required, but DVBE participation is encouraged, and a DVBE incentive will apply to this IFB as described below. Please review the DVBE Program Requirements: <https://www.dgs.ca.gov/-/media/Divisions/PD/OSDS/Certification/DVBE/DVBEProgramRequirements.pdf?la=en&hash=FBCA257A3ED083F3DBB85ECEEB37013CBCF0545C>

### B. DVBE Incentive Program

- 1) The DVBE Incentive Program applies to this solicitation. It is separate from the DVBE Participation Program and was established in Military and Veterans Code Sections 999 et seq., and Title 2, California of Regulations, Sections 1896.99 (2 CCR Section 1896.99) et seq., to encourage bidders to partner with DVBE subcontractors. A dollar cap of \$100,000 is set for all combined incentives and preferences. The incentive is used only for evaluation purposes to arrive at the successful bidder and does not alter the amounts of the actual bid. Any responsive and responsible bidder with the confirmed DVBE participation per the Tables in paragraph 3) below is eligible to receive the incentive. Bidders who are not responsive and responsible regardless of the amount of DVBE participation are not eligible to receive the incentive.
- 2) Caltrans will apply an incentive to bids proposing the utilization of DGS-certified DVBE firms identified on the **Bidder Declaration (GSPD-05-105)**. Information provided on the **GSPD-05-105** shall be verified by Caltrans prior to the award of the Agreement. The incentive amount is equal to a percentage of the lowest responsive and responsible bid based on the amount of DVBE participation in the bid being evaluated per the Tables below.
- 3) Tables for IFB (Low Price Method)

#### **No Participation Requirement**

<b>Verified DVBE Participation</b>	<b>DVBE Incentive Amount</b>
5% or more	5%
4%-4.99%	4%
3%-3.99%	3%
2%-2.99%	2%
0.1%-1.99%	1%

- 4) When applying the DVBE Incentive, an NSB shall not displace an award to a DGS Certified Small Business.
- 5) Please review the DVBE Program Requirements: <https://www.dgs.ca.gov/-/media/Divisions/PD/OSDS/Certification/DVBE/DVBEProgramRequirements.pdf?la=en&hash=FBCA257A3ED083F3DBB85ECEEB37013CBCF0545C>
- 6) Additional information: <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>.

**3. Target Area Contract Preference Act (TACPA)**

- A. Contractor agrees to comply with the requirements of the Target Area Contract Preference Act (“the Act”) (Government Code Section 4530, et seq.) and attendant rules and regulations. (Title 2, California Administrative Code, Section 1896.30, et seq.).
- B. Contractor agrees that Caltrans, or its delegee, will have the right to inspect its facilities and operations and to inspect, review, obtain, and copy all records pertaining to performance of this Agreement or compliance with the requirements of the Act and attendant rules and regulations. Contractor further agrees that such records shall be maintained for a period of three (3) years after final payment under this Agreement.
- C. Contractor agrees with respect to a certification to hire persons with high risk of unemployment, to:
  - 1) Act in good faith for the purpose of maintaining such persons as employees for the duration of performance of this Agreement; and
  - 2) To make a reasonable effort to replace such persons, who for any reason permanently cease to be on the payroll, with other persons with high risk of unemployment; and
  - 3) To promptly report to Caltrans and thereafter confirm in writing within seven (7) days the names of any such persons who have been terminated or absent from work for more than three (3) consecutive work days and to communicate the reasons for the termination or absence. Contractor agrees under such circumstances to consult with Caltrans and the Employment Development Department with respect to replacement of such persons.

STATE OF CALIFORNIA – DEPARTMENT OF TRANSPORTATION  
**BID PROPOSAL**  
ADM-1412 (REV. 04/21)

**ATTACHMENT 1**

CONTRACTOR'S NAME (Please Print):   
---

**Contractor's Commission Rate on All Accounts Assigned (Numeric Form):** \_\_\_\_\_ %

**Written Form:** \_\_\_\_\_

*The contract will be awarded to the qualified responsive, responsible bidder with the lowest commission rate.*

**EXAMPLE:**

Contractor's Commission Rate on All Accounts Assigned (Numeric Form): 5%

(Written Form): Five Percent

**Pre-determined Commission Rates:**

1. Interest collected from debtors will be split 50/50 between Caltrans and the Contractor. This interest is to be paid in gross to Caltrans, who will include the Contractor's 50% share interest with the commission payment.
2. Contractor will be compensated at a flat rate of five percent (5.0%) for all sums collected on invoices previously submitted to a collection agency during a prior Agreement period. This applies to invoices previously returned to Caltrans after a fully completed previous Agreement term.

---

1) PLEASE DO NOT ALTER, MODIFY OR CHANGE THIS BID PROPOSAL SHEET. ANY ALTERATIONS, MODIFICATIONS, OR CHANGES TO THIS BID PROPOSAL SHEET WILL BE GROUNDS TO REJECT THE BID.

**Attachment 2  
Bid/Bidder Certification Sheet**

Only an individual who is authorized to bind the bidding firm contractually shall sign the **Bid/Bidder Certification Sheet**. The signature must indicate the title or position that the individual holds in the firm. This Bid/Bidder Certification Sheet must be signed and returned along with all required documents as an entire package with **original signatures**. The bid must be transmitted in a sealed envelope in accordance with IFB instructions.

- A. Our all-inclusive bid is submitted in a sealed envelope marked “**Bid Submittal–Do Not Open.**”
- B. All required attachments are included with this certification sheet.
- C. The signature affixed hereon and dated certifies compliance with all the requirements of this bid document. The signature below authorizes the verification of this certification.
- D. The signature and date affixed hereon certifies that this bid is a firm offer for a 90-day period.

**An Unsigned Bid/Bidder Certification Sheet May Be Cause for Bid Rejection**

1. Company Name	2. Telephone Number (    )	2a. Fax Number (    )
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2b. Email Address

3. Address

Indicate your organization type:

4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
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Indicate the applicable employee and/or corporation number:

7. Federal Employee ID No. (FEIN)	8. California Corporation No.
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Indicate the Department of Industrial Relations information:

9. Contractor Registration Number

Indicate applicable license and/or certification information:

10. Contractor's State Licensing Board Number	11. CAL-T-
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12. Bidder' Name (Print)	13. Title
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14. Signature	15. Date
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16. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) as:

a. Small Business Enterprise    Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____
---	--

**Note:** A copy of your Certification is required to be included if either of the above items is checked “Yes”.  
Date application was submitted to OSDS, if an application is pending: \_\_\_\_\_

17. Are you a Non-Small Business committing to the use of 25% Certified Small Business Subcontractor Participation? Yes  No   
If Yes, complete and return the Bidder Declaration form, GSPD-05-105 or Subcontractor Provisions/List ADM-1511 with your bid.

**Attachment 2  
Bid/Bidder Certification Sheet**

**Completion Instructions for Bid/Bidder Certification Sheet**

Complete the numbered items on the Bid/Bidder Certification Sheet by following the instructions below.

Item Numbers	Instructions
<b>1, 2, 2a, 2b, 3</b>	Must be completed. These items are self-explanatory.
<b>4</b>	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
<b>5</b>	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
<b>6</b>	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
<b>7</b>	Enter your federal employee tax identification number.
<b>8</b>	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
<b>9</b>	Enter your Contractor Registration Number assigned by the Department of Industrial Relations (DIR). This Information will be used to determine if you are registered with DIR.
<b>10</b>	Complete if your firm holds a California contractor's license. This information will BE used to verify possession of a contractor's license for public works agreements.
<b>11</b>	Cal-T
<b>12, 13, 14, 15</b>	Must be completed. These items are self-explanatory.
<b>16</b>	If certified as a Small Business Enterprise, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to the Department of General Services, Office Small Business and DVBE Services. To get certified, go to <a href="https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise?search=SB/DVBE%20Certification">https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise?search=SB/DVBE%20Certification</a>
<b>17</b>	Check the applicable box. Complete and return GSPD-05-105 or ADM-1511 with your Bid.



### Attachment 3 Required Documents

**The following documents should be submitted, or your bid may be considered non-responsive.**

Do **not** submit **this checklist**, the **Proposed Form of Agreement**, company advertisements, brochures, informational pamphlets, or any other document unless specifically noted in the IFB Requirements and/or as listed below.

- Attachment 1 - Bid Proposal (ADM-1412)
- Attachment 2 - Bid/Bidder Certification Sheet
- Bidder Declaration (GSPD 05-105) [Bidder Declaration](#)
- Attachment 4 – Experience Letter and Certification Statement
- California Civil Rights Laws Certification (ADM-0076) [California Civil Rights Laws Certification](#)
- Darfur Contracting Act Certification (ADM-0077) [Darfur Contracting Act Certification](#)
- Iran Contracting Act Certification (ADM-0078) [Iran Contracting Act Certification](#)
- Quotes from SB Subcontractors (on SB's letterhead) (if applicable)
- Quotes from DVBE Subcontractors (on DVBE's letterhead) (if applicable)
- STD 1000 [GenAI Reporting and Factsheet](#)
- Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD 830). [TACPA Preference Request](#) (if applicable)
- Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526) (Copy of Form Attached – if applicable)

**The following documents will be requested of the WINNING BIDDER at time of contract award; they are NOT required at time of bid submittal:**

Contractor Certification Clauses (CCC 04/2017) [Contractor Certification Clauses](#)

Insurance (Requirements outlined in Proposed Form of Agreement, Exhibit E, Items 1 & 2)

Payee Data Record (STD 204) [Payee Data Record](#)



**Attachment 4**  
**Experience Letter and Certification Statement**

<p>Complete Certification Statement</p>	<p><b><u>Certification Statement:</u></b> <i>By signing below, I certify under penalty of perjury that for the duration of this Agreement (if awarded):</i></p> <ol style="list-style-type: none"><li>1) <i>Bidder will maintain required collection agency licenses and bonds, in accordance with <b>IFB 81A0178, Section B, Item 2.</b></i></li><li>2) <i>Bidder will comply with all insurance requirements, in accordance with <b>IFB 81A0178, Section B, Item 3.</b></i></li></ol> <p>Name of Person Signing: _____</p> <p>Title of Person Signing: _____</p> <p>Signature: _____ Date: _____</p>
<p>Provide Requested Information</p>	<p><b><u>Bidder's Licensed Attorney:</u></b> <i>Provide requested information in accordance with <b>IFB 81A0178, Section B, Item 4.</b></i></p> <p>First Name: _____</p> <p>Last Name: _____</p> <p>BAR Number: _____</p>

## Attachment 5 Proposed Form of Agreement

**Note to Bidders:** The following pages represent a sample of the Agreement that will be awarded, if any, from this IFB. Please review it carefully and present any questions in writing to the contact identified for this IFB. Do not return this Attachment with your bid.

<a href="#">Reset Form</a>	<a href="#">Print Form</a>	<b>SCO ID: 2660-81A0178</b>		
STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES <b>STANDARD AGREEMENT</b> STD 213 (Rev. 04/2020)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 50%;">AGREEMENT NUMBER <b>81A0178</b></td> <td style="text-align: center; width: 50%;">PURCHASING AUTHORITY NUMBER (IF Applicable)</td> </tr> </table>	AGREEMENT NUMBER <b>81A0178</b>	PURCHASING AUTHORITY NUMBER (IF Applicable)
AGREEMENT NUMBER <b>81A0178</b>	PURCHASING AUTHORITY NUMBER (IF Applicable)			

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

CONTRACTING AGENCY NAME  
 California Department of Transportation (Caltrans)

CONTRACTOR NAME  
 TBD

2. The term of this Agreement is:

START DATE  
 April 2, 2025 (estimate), or upon DGS approval, whichever is later

THROUGH END DATE  
 April 1, 2029 (estimate)

3. The maximum amount of this Agreement is:

\$TBD

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	7
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C *	General Terms and Conditions (GTC 04/2017)	Online
+ - Exhibit D	Special Terms and Conditions	6
+ - Exhibit E	Additional Provisions	3
+ - Attachment 1	Bid Proposal (ADM-1412) (attach upon award)	1
+ - Attachment 2	Bidder Declaration (Form GSPD-05-105) (attach upon award)	TBD

*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.)  
 TBD

CONTRACTOR BUSINESS ADDRESS	CITY	STATE	ZIP
-----------------------------	------	-------	-----

PRINTED NAME OF PERSON SIGNING	TITLE
--------------------------------	-------

CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED
---------------------------------	-------------

### Attachment 5 Proposed Form of Agreement

[Reset Form](#)

[Print Form](#)

**SCO ID:** 2660-81A0178

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES  
**STANDARD AGREEMENT**  
 STD 213 (Rev. 04/2020)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)
81A0178	


**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME  
 California Department of Transportation (Caltrans)

CONTRACTING AGENCY ADDRESS Division of Procurement and Contracts (DPAC), 1727 30th St, MS 65	CITY Sacramento	STATE CA	ZIP 95816
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PRINTED NAME OF PERSON SIGNING	TITLE Contract Officer
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CONTRACTING AGENCY AUTHORIZED SIGNATURE 	DATE SIGNED
--	-------------

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL 	EXEMPTION (If Applicable)
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**Exhibit A  
 Commercial Services–State**

**Scope of Work**

1. Contractor agrees to provide Collection Services to the California Department of Transportation (Caltrans), as described herein.
2. The services shall be performed at Contractor's place(s) of business.
3. Any reference to Caltrans Contract Manager shall also include his/her designee.
4. This Agreement will commence on **April 2, 2025 (estimate)**, or upon approval by the Department of General Services (DGS), whichever is later, and no work shall begin before that time. This Agreement is of no effect unless approved by DGS. Contractor shall not receive payment for work performed prior to approval of the Agreement and before receipt of notice to proceed by Caltrans Contract Manager. This Agreement will expire on **April 1, 2029 (estimate)**. The services shall be provided during Contractor's normal business hours; however, Contractor shall be available to respond to Caltrans during the working hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, except State holidays. The parties may amend this Agreement as permitted by law.
5. All inquiries during the term of this Agreement will be directed to the project representatives listed below. Contractor shall provide advance written notice and receive advance written approval by Caltrans Contract Manager, without the necessity of an amendment, before changing the Project Manager noted below.

Caltrans	Contractor: <b>TBD</b>
Section/Unit: D81/Accounting	Section/Unit:
Contract Manager: <b>TBD</b>	Project Manager:
Address: 1820 Alhambra Blvd., Sacramento, CA 95816	Address:
Business Phone Number:	Business Phone Number:
Email:	Email:

**6. Description of Work:**

- A. Contractor shall furnish all labor, materials, equipment, account interfacing (i.e. the process of exchanging data between systems) and expertise to maximize collection(s) of delinquent Accounts Receivable (AR) referred by Caltrans Division of Accounting. Contractor shall have experienced staff to effect collections through written communications with debtors, conduct skip tracing to verify existing and correct addresses, social security numbers, or report bad debts to a credit reporting bureau, negotiate compromise settlements, obtain court judgments, and enforce those judgments.
- B. Contractor shall employ an attorney, licensed under the laws of the State of California, if necessary, to perform any court filings and prosecute debt collection cases. Subcontracting is not allowed for any legal services under this Agreement.
- C. Contractor shall maintain and work with Caltrans' accounts electronically using Contractor's computer system. Contractor will not be given access to Caltrans systems. Contractor shall use their own system(s) at its own cost and expense.
- D. Contractor shall automatically issue correspondence to debtors using a computer system designed to record returned mail when necessary (i.e., undeliverable or address changes).

**Exhibit A**  
**Commercial Services–State**

- E. Contractor shall post outstanding accounts receivable electronically with nationwide credit reporting agencies.
- F. Contractor shall skip trace debtors' social security numbers through the use of credit reporting agency services. Skip tracing for social security numbers shall commence immediately after Caltrans Contract Manager submits each delinquent account to Contractor for collection. In each month of September during the term of this Agreement, Caltrans Contract Manager will request, and Contractor shall furnish a list of outstanding balances and social security numbers for each delinquent account which will be submitted to the Franchise Tax Board for tax offset purposes.
- G. Contractor shall show an established process to access the Department of Motor Vehicles records to locate debtors.
- H. Contractor shall file complaints in Superior Court and obtain judgments for cases in which Caltrans has provided prior written authorization to initiate the legal process. Caltrans Legal Division approval must be in writing and provided by an Assistant Chief Counsel or higher management designation. Contractor's attorney shall file the action and represent Caltrans. Caltrans will make all settlement decisions.
- I. Contractor shall observe debtors' rights within the constraints of the Federal Fair Debt Collections Practices Act, Collection Agency Act, California Robbins-Rosenthal Fair Debt Collection Agency Act, and other applicable federal and state laws. Contractor shall also comply with the California Fair Debt Collection Practices Act, California Consumer Credit Reporting Agencies Act, and applicable federal laws.
- J. Contractor shall use due diligence and professional standards to obtain collections of delinquent accounts receivable referred by Caltrans Contract Manager.
- K. Contractor shall maintain company records as they pertain to accounts in such a manner as to be auditable by Caltrans at any time during normal business hours for the full term of this Agreement.
- L. Contractor shall not collect additional fees or charges from debtors without prior approval from Caltrans Contract Manager.
- M. Contractor shall furnish to Caltrans Division of Accounting the following reports:
  - 1) **Status Report** - due 10 working days after the close of the prior month (open inventory) for the following types of accounts:
    - a. Type A - Damage Claims (highway and vehicle)
    - b. Type B - Payroll Accounts Receivable
    - c. Type C - Salary Advances
    - d. Type D - Travel Advances
    - e. Type E - Miscellaneous (transportation permits, encroachment permits, logo permits, bad checks, reimbursement for overpayments, etc.)
    - f. Type F - Right of Way Rentals
    - g. Type G - Overpayments to Construction Contractors (Project Information Systems & Analysis, or PISA)

**Exhibit A**  
**Commercial Services--State**

- 2) Status Reports shall contain the following:
  - a. Debtor's name
  - b. Debtor's invoice number
  - c. Date the invoice was listed
  - d. Current balance (including interest)
  - e. Current principal balance
  - f. Current interest due
  - g. Status of invoice
  - h. Incident date or date debt was incurred
  - i. Date statute of limitations expires
  
- 3) **Remittance Report** - to accompany the check for gross collections. The Remittance Report shall contain the following:
  - a. Separate statement for "Prime" and "Second" accounts
    - i. A "Prime" account is also referred to as an initial placement or new order.
    - ii. A "Second" account refers to accounts that were previously submitted to another Contractor for collection and returned after the contract ended.
  - b. Contract number listed on each statement
  - c. Payment date for each payment
  - d. Debtor's name for each payment
  - e. Debtor's invoice number for each payment
  - f. Interest collected for each payment
  - g. Principal collected for each payment
  - h. Commission to be paid for each payment
  - i. Total interest collected for each statement
  - j. Total principal collected for each statement
  - k. Total commission to be paid for each statement
  - l. Total amount collected for each statement
  - m. Any debts collected by Caltrans on behalf of Contractor listed separately from debts collected by Contractor for each statement
  
- 4) **Detail Report** - due 10 working days after the close of the prior month. The monthly Detail Report must contain the debtor's name, the Department's A/R number, the amount transmitted, the amount collected, the date of incident or date the debt was incurred (i.e., date statute of limitations period begins), the date the A/R was sent to Contractor and the status of the A/R. The Detail Report is subject to verification by Caltrans Contract Manager. A sample of this report which the Contractor should use in substantially the same format is provided below.



**Exhibit A**  
**Commercial Services–State**  
**Detail Report**

Type of Accounts Receivable (A/R)

Debtor Name	Dept. A/R #	\$ Amount Transmitted	\$ Amount Collected	Date of incident (statute start date)	Date A/R sent to Contractor	Action Status

- 5) **Summary Report** - to use for the basis of calculating collection performance, due 10 working days after the close of the prior month. The Summary Report must contain the date the A/R was sent to the Contractor, the dollar amount sent, the dollar amount collected, the collection percentage, and the commission (bid rate) amount due to be paid to Contractor. Contractor shall not be paid out of the proceeds collected. The Summary Report is subject to verification by Caltrans Contract Manager. A sample of this report which the Contractor should use in substantially the same format is provided below:

**Summary Report**

Type of Accounts Receivable (A/R)

Date A/R sent to Contractor	Dollar Amount transmitted = or – adjustments from original	Dollar Amount Collected	Percent of Collection	Commission (bid rate of Contractor)

- N. Twelve (12) months after the Agreement start date, Caltrans Contract Manager will review Contractor's performance using the Summary Reports. For "Prime" accounts (as defined above in this Section 6), Caltrans' expectations are to collect 40 percent (%) or higher of the total dollar amount of collection accounts placed with the Contractor. If Contractor performance does not meet or exceed Caltrans' expectations, the Agreement may be terminated. Refer to **Exhibit D, Item 2**. Contractor's performance may be reviewed subsequent to the 12-month review if deemed necessary by Caltrans Contract Manager.
- O. Contractor shall remit to Caltrans all the gross proceeds collected on Caltrans' behalf. Contractor will be compensated for Contractor's services according to the Payment provisions of this Agreement as noted in **Exhibit B**.
- P. Contractor shall keep a history of collection efforts for three (3) years after the Agreement expiration date and shall provide reports in electronic formats and for periods specified by Caltrans Contract Manager or submit reports of all history electronically. Caltrans reserves the right to request other information as it becomes necessary. Other information shall include, but not be limited to, historical data indicating total outstanding balances as of a certain date for collection accounts.

**Exhibit A**  
**Commercial Services–State**

- Q. Contractor shall return any account determined to be uncollectable to Caltrans Contract Manager with reports of dates and methods used to trace and/or collect from the debtor. Reports on collection efforts shall include a brief explanation of why the account is uncollectable [see **Exhibit A, Item 6(V)**].
- R. Contractor shall not, under any circumstances, use any threats, intimidation, or harassment of debtors in the collection efforts or violate any other applicable government guidelines. Contractor shall not claim to be an officer or employee of the State and/or Caltrans.
- S. At the expiration of the Contract, **April 1, 2029**, all accounts in the process of collection will be returned to Caltrans Contract Manager.
- T. The following outlines the different phases of this Agreement:
- 1) Placement of New Orders:  
The term for placement of New Collection Orders is limited to the period commencing **April 2, 2025** and ending **April 1, 2028**.
  - 2) After **April 1, 2028**, no New Collection Orders will be given to the Contractor. All accounts in the process of collection will remain with the Contractor until paid, canceled, or recalled by Caltrans on **April 2, 2029**.
  - 3) Contractor shall not open New Collection Orders pursuant to the terms of this Agreement after **April 2, 2028** [the third (3<sup>rd</sup>) year of the contract]. The fourth (4<sup>th</sup>) year, **April 2, 2028** through **April 1, 2029**, will be used to complete remaining collection of accounts retained by the Contractor.
  - 4) Within 90 days of the expiration date of this Agreement, **April 1, 2029**, any pending collection accounts will be returned to Caltrans Contract Manager. All pending hard copy collection files must be returned to Caltrans Contract Manager. All electronic collection files must be returned to Caltrans Contract Manager in the same format they were originally given (**with updated balances and a separate column to include interest**). The accounts shall be returned to Caltrans Contract Manager stating whether the account is collectable or uncollectable.
- U. Contractor shall review all Caltrans' Accounts Receivables placed with them by Caltrans Contract Manager. Contractor shall monitor all applicable statute of limitations periods to ensure that collection actions shall be filed, if necessary, before any statute of limitations period expires. Each account type has a statute of limitations that applies, they are as follows:
- 1) Three (3) years after the date of loss for highway and vehicle damage claims.
  - 2) Three (3) years after the last payment date to the employee for payroll accounts receivable, salary, and travel advances if the separated employee had NOT been previously notified in writing by Caltrans.
  - 3) No statute of limitation for payroll accounts receivable, salary and travel advances if the separated employee HAD been previously notified in writing by Caltrans.
  - 4) Four (4) years after the completion date for transportation and encroachment permits and logo permits.

**Exhibit A**  
**Commercial Services–State**

- 5) Four (4) years for all contracts or other miscellaneous invoices such as bad checks, reimbursement for overpayments, audit findings, and any other miscellaneous invoice.
  - 6) Four (4) years after the vacate date for Right of Way tenancies or other applicable statutes.
  - 7) Four (4) years from the project completion date for Construction Contractor Overpayments (PISA).
- V. Contractor shall return uncollectable accounts for write-off/discharge of accountability if it has been determined that:
- 1) Legal action should not be pursued
  - 2) The account does not have a paying status
  - 3) The account is not being actively worked
  - 4) Efforts have been exhausted to locate a debtor
  - 5) The debtor has filed bankruptcy
  - 6) There is a settlement
  - 7) The balance of the account has been canceled
  - 8) The account is past the statute of limitations [see **Exhibit A, Item 6(U)**]
  - 9) The account has a dormant judgment
- W. If Contractor should later find a debtor and/or receives a payment on a returned account, during the term of this Agreement, Contractor will be permitted to reopen the account and proceed with collection activities. At that time, Contractor shall notify Caltrans Contract Manager of reactivating and pursuing collection efforts on returned accounts receivable, provided this occurs during the term of this Agreement.
- X. Initial Placement - Contractor is authorized to settle any first account placement from a debtor within 80% or more of the full amount due. Any offers below the 80% authorization must be approved by Caltrans Contract Manager.
- Y. Second and Subsequent Placements (outstanding accounts from prior contracts) - Contractor is authorized to settle with a debtor any second or subsequent account placement with a principal balance of \$15,000.00 or less for 60% or more of the full amount due. Any offers below the 60% authorization must be approved by Caltrans Contract Manager.
- Z. Contractor will provide a list of accounts for which the statute of limitations is due to expire no less than nine (9) months prior to the statute of limitations expiration date.
- AA. Contractor shall begin work on all new Collection Order Placements within three (3) weeks of Caltrans Contract Manager submitting the Collection Order Placement to the Contractor.
- BB. Contractor will not receive any compensation for accounts collected by Caltrans within 10 business days of submittal of the initial account placement with the Contractor.

**Exhibit A**  
**Commercial Services–State**

CC.All judgments assigned to the Contractor, the Contractor's authorized sub-contractors, agents, or Legal Counsel(s) for the purpose of collection or enforcement will be assigned and returned to Caltrans Contract Manager upon expiration of this Agreement. Any judgments obtained through a collection action shall be returned to Caltrans Contract Manager upon expiration of this Agreement.

DD.Caltrans Contract Manager will withhold final payment if all files (judgments and non-judgments) are not returned within 90 days of Agreement termination.

**7. Delivery of Accounts by Caltrans:**

Most accounts will be sent to Contractor via mail or some other delivery service, however in some cases accounts may be sent electronically through e-mail.

**Exhibit B**  
**Commercial Services–State**

**Budget Detail and Payment Provisions**

**1. Invoicing and Payment**

- A. Contractor will be compensated at the commission rate of **TBD%** percent for all sums collected on new placements. Commission will be paid monthly in arrears. This payment shall be calculated based on the amount of funds received into Caltrans accounts by the 15th day of each month following the month of Contractor's collection, payable monthly in arrears upon receipt of itemized invoice. Any interest collected from the debtors is to be split **50/50** with Caltrans and Contractor. This interest is to be paid in gross to Caltrans, who will include Contractor's **50%** share interest with the commission payment. Contractor shall not deduct any commission from the sums collected.
- B. Contractor will be compensated at a flat rate of **five % (5.0%)** for all sums collected on invoices previously submitted to a collection agency during a prior Agreement period. This only applies to invoices which have been previously returned to Caltrans after a fully completed previous Agreement term.
- C. Contractor will pay all costs associated with the filing of lawsuits for those cases that Caltrans has provided Contractor with written authorization to initiate the legal process for filing complaints and obtaining judgments. Lawsuits will be filed in Superior Court. Caltrans will not reimburse Contractor for any costs that Contractor incurs on Caltrans' behalf when the courts will not permit the costs to be added to the judgment amount.
- D. Sums collected (gross proceeds) will be forwarded to Caltrans with a detailed Remittance Report and a copy of an itemized invoice.
- E. Each invoice shall include:
  - 1) Agreement Number
  - 2) Contractor's Name
  - 3) Contractor's Address
  - 4) Contractor's Invoice Number
  - 5) Amount of Principal Collected
  - 6) Amount of Interest Collected
  - 7) Fee Schedule for Collection Service
  - 8) Total Amount Due (including interest)
- F. For services satisfactorily rendered and approved by Caltrans Contract Manager, and upon receipt and approval of the invoices, Caltrans agrees to compensate Contractor in accordance with the **Bid Proposal, Attachment 1**, and this **Exhibit B**. Incomplete or disputed invoices shall be returned to Contractor, unpaid, for correction. Each invoice shall be signed and submitted in triplicate not more frequently than monthly in arrears of the service.

**Exhibit B**  
**Commercial Services–State**

G. Each invoice shall be submitted in triplicate to:

Department of Transportation (Caltrans)  
Accounts Receivable MS 33  
Attention: Contract Manager's Name TBD  
1820 Alhambra Blvd.  
Sacramento, CA 95816

**2. Budget Contingency Clause**

- A. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional or legislative appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to the State of California by the United States Government or the California State Legislature for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress or the State Legislature that may affect the provisions, terms, or funding of this Agreement in any manner.
- C. It is mutually agreed that if Congress or State Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- D. Pursuant to Government Code Section 927.13, no late payment penalty shall accrue during any time period for which there is no Budget Act in effect, nor on any payment or refund that is the result of a Federally-mandated program or that is directly dependent upon the receipt of federal funds by a State agency.
- E. Caltrans has the option to terminate the Agreement under the 30-day termination clause or to amend the Agreement to reflect any reduction of funds.

**3. Prompt Payment Clause**

- A. Payment will be made in accordance with, and within the time specified in, Government Code, Chapter 4.5, commencing with Section 927 and all agreements must comply with Public Contract Code Sections 10262 and 10262.5.
- B. Pursuant to Public Contract Code Section 10262, Contractor shall pay its Subcontractor(s) within seven (7) calendar days from receipt of each payment made to Contractor by Caltrans.
- C. Failure of Contractor adhering to Public Contract Code Section 10262 may result in termination of this Agreement per Public Contract Code Section 10253 and disciplinary action by the Contractors State License Board may be implemented.
- D. Any subcontract entered into as a result of this Agreement shall contain all the provisions of this clause.

**4. Cost Limitation**

- A. Total amount of this Agreement shall not exceed **\$TBD**.

**Exhibit B**  
**Commercial Services–State**

B. It is understood and agreed that this total is an estimate, and that Caltrans will pay only for those services actually rendered as authorized by Caltrans Contract Manager up to the total amount set forth in **Section A**, above.

**5. Rates**

Rates for these services may be found on **Attachment 1** of this document.

**6. Excise Tax**

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

**7. Cost Principles**

- A. Contractor agrees that the Contract Cost Principles and Procedures in 48 Code of Federal Regulations (CFR), Part 31, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in 2 CFR, Part 200, shall be used to determine the allowable individual items of cost.
- B. Any costs for which payment has been made to Contractor that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by Contractor to Caltrans.
- C. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this clause.

**8. Costs Included in Bid Rates**

The cost of employer payments to or on behalf of employees, subsistence, travel, compensation insurance premiums, unemployment contributions, social security taxes, Agreement bond premiums, and any other taxes or assessments **including sales and use taxes** required by law or otherwise shall be included in the Agreement rates and no additional allowance will be made thereof, unless separate payment provision should specifically so provide.

**Exhibit D**  
**Commercial Services–State**

**Special Terms and Conditions**

**1. Settlement of Disputes**

- A. Any dispute concerning a question of fact arising under this Agreement that is not disposed of by agreement shall be decided by Caltrans Contract Officer, who may consider any written or verbal evidence submitted by Contractor. The decision of Caltrans Contract Officer, issued in writing, shall be Caltrans' final decision on the dispute.
- B. Neither the pendency of a dispute nor its consideration by Caltrans Contract Officer will excuse Contractor from full and timely performance in accordance with the terms of the Agreement.

**2. Termination**

- A. If, after award and execution of the Agreement, Contractor's performance is unsatisfactory, the Agreement may be terminated immediately for default. Additionally, Contractor may be liable to Caltrans for damages, including the difference between Contractor's original bid price and the actual cost of performing the work by another Contractor. Default is defined as Contractor failing to perform services required by the Agreement in a satisfactory manner.
- B. Caltrans reserves the right to terminate this Agreement for any or no cause upon 30 days written notice to Contractor. Upon such termination, no compensation shall be due or payable to Contractor except for compensation earned through the date of termination.
- C. The State may terminate this Agreement immediately for good cause. The term "good cause" may be defined as "impossibility of performance" or "frustration of purpose", but does not include material breach, default, or termination without cause. In this instance, the Agreement termination shall be effective as of the date indicated on the State's notification to Contractor.
- D. In the event that the total Agreement amount is expended prior to expiration date, Caltrans may, at its discretion, terminate this Agreement with 30-day notice to Contractor.

**3. Retention of Records/Audits**

- A. For the purpose of determining compliance with Government Code Section 8546.7, Contractor and Subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the Agreement, including but not limited to, the costs of administering the Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under the Agreement. The State, the State Auditor, Federal Highway Administration, or any duly authorized representative of the Federal government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of Contractor that are pertinent to the Agreement for audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.
- B. Any subcontract entered into as a result of this Agreement shall contain all the provisions of this clause.



**Exhibit D**  
**Commercial Services–State**

**4. Executive Order N-12-23 – Generative Artificial Intelligence (GenAI) Technology Use and Reporting**

- A. During the term of the contract, Contractor shall notify the State in writing if their services or any work under this contract includes, or makes available, any previously unreported GenAI technology, including GenAI from third parties or subcontractors. Contractor shall immediately complete the GenAI Reporting and Factsheet (STD 1000) to notify the State of any new or previously unreported GenAI technology. At the direction of the State, Contractor shall discontinue the use of any new or previously undisclosed GenAI technology that materially impacts functionality, risk or contract performance, until use of such GenAI technology has been approved by the State.
- B. Failure to disclose GenAI use to the State and submit the GenAI Reporting and Factsheet (STD 1000) may be considered a breach of the contract by the State at its sole discretion and the State may consider such failure to disclose GenAI and/or failure to submit the GenAI Reporting and Factsheet (STD 1000) as grounds for the immediate termination of the contract. The State is entitled to seek any and all relief it may be entitled to as a result of such non-disclosure.
- C. The State reserves the right to amend the contract, without additional cost, to incorporate GenAI Special Provisions into the contract at its sole discretion and/or terminate any contract that presents an unacceptable level of risk to the State.

**5. Subcontractors**

- A. Nothing contained in this Agreement or otherwise, shall create any contractual relation between Caltrans and any Subcontractors, and no subcontract shall relieve Contractor of its responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to Caltrans 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 Contractor. Contractor's obligation to pay its Subcontractors is an independent obligation from the State's obligation to make payments to Contractor.
- B. Contractor shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted, except for Subcontractors listed on the **Bidder Declaration (GSPD-05-105), Attachment 2**. Legal services shall not be subcontracted.
- C. Any subcontract in excess of \$25,000 entered into as a result of this Agreement shall contain all the provisions stipulated in this Agreement to be applicable to Subcontractors.
- D. Any substitution of Subcontractors must be approved in writing by Caltrans Contract Manager in advance of assigning work to a substitute Subcontractor.

**6. Non-Solicitation**

Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained or contracted by Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other

**Exhibit D**  
**Commercial Services–State**

remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

**7. Reporting Disabled Veteran Business Enterprise (DVBE) Utilization**

- A. If this Agreement requires DVBE participation, it is the responsibility of Contractor to track DVBE participation requirement progress and Contractor must report the actual amount paid to certified Subcontractors. Contractors must comply with Government Code Section 14841 and Military and Veterans Code Sections 999.5(d) and 999.7 by reporting the actual utilization of certified Subcontractor(s) during the performance of this Agreement. Contractor shall prepare and submit the Report of Utilization of Small/Micro Business and Disabled Veteran Business Enterprise State Funded Contracts Only (ADM-3059) (<https://forms.dot.ca.gov/v2Forms/servlet/FormRenderer?frmId=ADM3059>) to Caltrans Contract Manager with each invoice.
- B. If Contractor fails to submit ADM-3059 with final invoice, Caltrans Contract Manager shall withhold \$10,000, or full payment if it is less than \$10,000, from final payment on Agreement until Caltrans Contract Manager receives a complete and satisfactory ADM-3059. Caltrans Contract Manager shall notify Contractor by email that Contractor must submit a complete and satisfactory ADM-3059 within 30 days from the date of the notice. If Contractor fails to fully complete and submit the ADM-3059 within this 30-day period, Caltrans shall permanently withhold payment of final invoice.
- C. Upon Caltrans Contract Manager's request, Contractor shall provide proof of payment for the work performed by DVBE subcontractor(s).

**8. Reporting Small Business/Micro Business (SB/MB) Utilization**

If SB/MB Subcontractor participation is a requirement of this Agreement, Contractor must report the actual amount paid to certified Subcontractors. Contractor must comply with Government Code Section 14841 by reporting the actual utilization of certified Subcontractor(s) during the performance of this Agreement. Contractor shall prepare and submit the Report of Utilization of Small/Micro Business and Disabled Veteran Business Enterprise State Funded Contracts Only (ADM-3059) (<https://forms.dot.ca.gov/v2Forms/servlet/FormRenderer?frmId=ADM3059>) to Caltrans Contract Manager with each invoice.

**9. DVBE Participation (Not Required)**

Caltrans has not established a DVBE participation requirement for this Agreement. However, Contractor shall be fully informed respecting the California Public Contract Code Sections 10115 et seq., which is incorporated by reference. Contractor is urged to obtain DVBE Subcontractor participation should clearly defined portions of the work become available.

**10. Assumption of Risk and Indemnification Regarding Exposure to Environmental Health Hazards**

In addition to, and not a limitation of, Contractor's indemnification obligations contained elsewhere in this Agreement, Contractor hereby assumes all risks of consequences of exposure of Contractor's employees, agents, Subcontractors, Subcontractors' employees, and any other

## **Exhibit D Commercial Services–State**

person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with performance of this Agreement, to any and all environmental health hazards, local and otherwise, in connection with the performance of this Agreement. Such hazards include, but are not limited to, bodily injury and/or death resulting in whole or in part from exposure to infectious agents and/or pathogens of any type, kind, or origin. Contractor also agrees to take all appropriate safety precautions to prevent any such exposure to Contractor's employees, agents, Subcontractors, Subcontractors' employees, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement. Contractor also agrees to indemnify and hold harmless Caltrans, State of California, and each and all of their officers, agents, and employees, from any and all claims and/or losses accruing or resulting from such exposure. Except as provided by law, Contractor also agrees that the provisions of this paragraph shall apply regardless of existence or degree of negligence or fault on the part of Caltrans, State of California, and/or any of their officers, agents, and/or employees.

### **11. Mandatory Organic Waste Recycling**

It is understood and agreed that pursuant to Public Resources Code Sections 42649.8 et seq., if Contractor generates two (2) cubic yards or more of organic waste or commercial solid waste per week, Contractor shall arrange for organic waste or commercial waste recycling services that separate/source organic waste for organic waste recycling. Contractor shall provide proof of compliance, i.e., organic waste recycling services or commercial waste recycling services that separate/source organic waste recycling, upon request from Caltrans Contract Manager.

### **12. Laws to be Observed**

Contractor shall keep fully informed of all existing and future laws, including State and Federal, county and municipal ordinances and regulations including but not limited to Senate Bill 1383 of 2016 Title 14, CCR, General Provisions section 18981.2, Public Resources Code sections 42652 et. seq., and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same, which in any manner affect those engaged or employed in the work, the materials used in the work, or which in any way affect the conduct of the work. Contractor shall at all times observe and comply with and shall cause all agents and employees to observe and comply with, all such existing and future laws, ordinances, regulations, orders, and decrees of bodies or tribunals having any jurisdiction or authority over the Agreement. Contractor shall protect and indemnify the State of California and all officers and employees thereof connected with the work against any claim, injury, or liability arising from or based on the violation of any such law, ordinance, regulation, order, or decree, whether by Contractor, its Subcontractor(s), or an employee(s). If any discrepancy or inconsistency is discovered in the plans, drawings, specification, or Agreement for the work in relation to any such law, ordinance, regulation, order, or decree, Contractor shall immediately report the same to Caltrans Contract Manager in writing.

### **13. Specific Legal References**

Any reference to specific statutes, regulations, or other legal authority in this Agreement shall not relieve Contractor from the responsibility of complying with all existing and future laws, ordinances, regulations, orders, and decrees of bodies or tribunals having any jurisdiction or authority over the Agreement.

### **14. Equipment Indemnification**

- A. Contractor shall indemnify Caltrans for any claims against Caltrans for loss or damage to Contractor's property or equipment during its use under this Agreement and shall at

**Exhibit D**  
**Commercial Services–State**

Contractor's own expense maintain such fire, theft, liability, or other insurance as deemed necessary for this protection. Contractor assumes all responsibility which may be imposed by law for property damage or personal injuries caused by defective equipment furnished under this Agreement or by operations of Contractor or Contractor's employees under this Agreement.

- B. Any subcontract entered into as a result of this Agreement shall contain all the provisions of this clause.

**15. Force Majeure**

- A. Except for defaults of Subcontractors, 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 (directly or indirectly) caused by "Force Majeure" without the fault, intentional act, or negligence of the Contractor. As used in this section, "Force Majeure" shall include, but shall not be limited to, acts of God, fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight embargo, interruption in service by a regulated utility, or governmental statutes or regulations superimposed after the fact.
- B. If a delay in, or failure of, performance by Contractor arises out of a default of its Subcontractor, and if such default of its Subcontractor arises out of causes beyond the (direct or indirect) control of both Contractor and Subcontractor, and without the fault, intentional act, or negligence of either of them, Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule.

**16. Employment of Undocumented Workers**

By signing this Agreement, Contractor swears or affirms that it has not, in the preceding five (5) years, been convicted of violating a State or Federal law relative to the employment of undocumented workers.

**17. Target Area Contract Preference Act (TACPA)**

- A. Contractor agrees to comply with the requirements of the Target Area Contract Preference Act ("the Act") (Government Code Section 4530, et seq.) and attendant rules and regulations. (Title 2, California Administrative Code, Section 1896.30, et seq.).
- B. Contractor agrees that Caltrans, or its delegee, will have the right to inspect its facilities and operations and to inspect, review, obtain, and copy all records pertaining to performance of this Agreement or compliance with the requirements of the Act and attendant rules and regulations. Contractor further agrees that such records shall be maintained for a period of three (3) years after final payment under this Agreement.
- C. Contractor agrees with respect to a certification to hire persons with high risk of unemployment, to:
  - 1) Act in good faith for the purpose of maintaining such persons as employees for the duration of performance of this Agreement; and
  - 2) To make a reasonable effort to replace such persons, who for any reason permanently cease to be on the payroll, with other persons with high risk of unemployment; and
  - 3) To promptly report to Caltrans and thereafter confirm in writing within seven (7) days the names of any such persons who have been terminated or absent from work for more than

**Exhibit D**  
**Commercial Services–State**

three (3) consecutive work days and to communicate the reasons for the termination or absence. Contractor agrees under such circumstances to consult with Caltrans and the Employment Development Department with respect to replacement of such persons.

**18. ADA Compliance**

All entities that provide electronic or information technology or related services that will be posted online by Caltrans must be in compliance with Government Code Sections 7405 and 11135 and the Web Content Accessibility Guidelines (WCAG) 2.0 or subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success. All entities will respond to and resolve any complaints/deficiencies regarding accessibility brought to their attention.

**19. Electronic Signatures**

Each party agrees that electronic signatures, whether digital or encrypted, of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures for this Agreement. Documents that are referenced by this Agreement may still require manual signatures.

**20. 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 unless the contract has been Federalized (i.e., there is federal participation in any phase). 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.

## Exhibit E Commercial Services–State

### Additional Provisions

#### 1. General Provisions Required in all Insurance Policies

- A. Deductible: Contractor is responsible for any deductible or self-insured retention (SIR) contained within the insurance program.
- B. Coverage Term: Coverage must be in force for the complete term of this Agreement. If insurance expires during the term of this Agreement, a new certificate must be received by Caltrans Contract Manager at least 10 days prior to the expiration of the insurance. Any new insurance must continue to comply with the original terms of this Agreement.
- C. Policy Cancellation or Termination and Notice of Non-Renewal: Contractor shall provide, to Caltrans Contract Manager within five (5) business days, following receipt by Contractor, a copy of any cancellation or non-renewal of insurance required by this Agreement. In the event Contractor fails to keep, in effect at all times, the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of this Agreement.
- D. Primary Clause: Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the State.
- E. Inadequate Insurance: Inadequate or lack of insurance does not negate Contractor's obligations under this Agreement.
- F. Endorsements: Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- G. Insurance Carrier Required Rating: All insurance companies must carry a rating acceptable to the Department of General Services, Office of Risk and Insurance Management (ORIM). If Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required. Department of General Services, ORIM Website: <https://www.dgs.ca.gov/ORIM>.
- H. Contractor shall include all of its subcontractors as insureds under Contractor's insurance or supply evidence of insurance to the State equal to the policies, coverages, and limits required of Contractor.
- I. The State will not be responsible for any premiums or assessments on the policy.

#### 2. Insurance Requirements

- A. Commercial General Liability
  - 1) Contractor shall maintain general liability on an occurrence form with limits not less than **\$1,000,000** per occurrence and **\$2,000,000** aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured Agreement. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to Contractor's limit of liability.

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2) The policy must include:

Caltrans, State of California, its officers, agents, employees, and servants are included as additional insured but only with respect to work performed under this Agreement.

3) This endorsement must be supplied under form acceptable to DGS, ORIM.

B. Workers' Compensation and Employer's Liability

Contractor shall maintain statutory workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Agreement. Employer's liability limits of **\$1,000,000** are required. When work is performed on State owned or controlled property, the workers' compensation policy shall contain a waiver of subrogation in favor of the State. The waiver of subrogation endorsement shall be provided to Caltrans Contract Manager.

C. Professional Liability

Contractor shall maintain Professional Liability at **\$1,000,000** covering any damages caused by a negligent error, act, or omission. The policy's retroactive date must be displayed on the certificate of insurance and must be before the date this Agreement was executed or before the beginning of this Agreement work. Contractor is responsible to maintain continuous coverage for up to three years after the notice of completion.

D. Fidelity Bond/Crime Insurance

Contractor shall maintain Employee Dishonesty and theft, forgery, or alteration, and when applicable, Inside/Outside Money and Securities coverage for State-owned property in the care, custody, and/or control of Contractor. Coverage limits shall not be less than **\$1,000,000**. A Clients' Property endorsement as broad as CR 04 01 08 13 must be endorsed to this policy and notated on the certificate of insurance. The policy shall include as loss payee DOT and the State of California.

E. Cyber Liability Insurance

Contractor shall maintain Cyber Liability Insurance, with limits not less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines, and penalties as well as credit monitoring expenses.

F. Satisfying a Self-Insured Retention

All insurance required by this Agreement must allow, but not require, the State to pay any SIR and/or act as Contractor's agent in satisfying any SIR. The choice to pay any SIR and/or act as Contractor's agent in satisfying any SIR is at the State's discretion. If the State chooses to pay any SIR and/or act as Contractor's agent in satisfying any SIR, Contractor shall reimburse the State for the same.

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**Commercial Services–State**

**G. Available Coverages/Limits**

In the event the insurance coverages obtained by Contractor is broader in scope than, and/or the limits are higher than, those required under the contract, all such broader coverage and/or higher limits available to Contractor shall also be available and applicable to the State.

**3. Licenses and Permits**

- A. Contractor shall be an individual or firm qualified to do business in California and shall obtain at its expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this Agreement. Contractor's attorney shall be licensed by the State Bar of California.
- B. If Contractor is headquartered in the State of California, Contractor must possess a business license or equivalent from the city/county in which it is headquartered. If Contractor is a corporation or other business entity (apart from a sole proprietorship or general partnership), then Contractor must be registered and active/in good standing with the California Secretary of State.
- C. If Contractor is headquartered outside the State of California, Contractor must submit to Caltrans a copy of its business license or equivalent. If Contractor is a foreign (outside of California) corporation or other business entity (apart from a sole proprietorship or general partnership), then Contractor must be registered and active/in good standing with the California Secretary of State.
- D. In the event any license(s) and/or permit(s) expire at any time during the term of this Agreement, Contractor agrees to provide Caltrans Contract Manager a copy of the renewed license(s) and/or permit(s) within 30 days following the expiration date. In the event Contractor fails to keep in effect at all times all required license(s) and permit(s), Caltrans may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event.

**4. Prohibition of Delinquent Taxpayers**

Public Contract Code Section 10295.4 prohibits the State from entering into an Agreement for goods or services with any taxpayer, whose name appears on either list maintained by the California Department of Tax and Fee Administration or the Franchise Tax Board pursuant to Revenue and Taxation Code Sections 7063 and 19195, respectively, of the 500 largest tax delinquencies. Public Contract Code Section 10295.4 provides no exceptions to these prohibitions.