CITY OF COSTA MESA
AMBULANCE SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 17th day of August, 2010 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and CARE AMBULANCE SERVICE, INC., a California corporation ("Contractor").

W I T N E S S E T H:

A. WHEREAS, COSTA MESA retains all rights, remedies, and privileges regarding the provision, administration, and operational control of all prehospital Emergency Medical Services (EMS) within its jurisdiction including, but not limited to, emergency ambulance response and patient transport services, pursuant to California Health & Safety Code Division 2.5, Chapter 4, Article 1, Section 1797.201; and

B. WHEREAS, COSTA MESA, pursuant to its Section 1797.201 powers, entered into an Agreement with Contractor, for the provision of Basic Life Support (BLS) and Advanced Life Support (ALS) emergency ambulance and patient billing services, that commenced on September 1, 2008 at 7:30 a.m., and will terminate on September 1, 2010 at 7:30 a.m.; and

C. WHEREAS, during the two-year Agreement period Contractor met or exceeded all contractual obligations, requirements, and expectations; and

D. WHEREAS, pursuant to Section 1797.201, COSTA MESA has the sole and exclusive legal authority to determine who will provide the emergency ambulance and patient billing services within its jurisdiction;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. GENERAL PROVISIONS

1.1. Order of Precedence. The entire Agreement between City and Contractor shall be comprised of the following documents, listed in order of precedence: 1) This Agreement (the Costa Mesa Ambulance Services Agreement); and 2) The Proposal originally submitted by Contractor dated March 17, 2008 (Proposal), which is incorporated by reference. In the event of any inconsistency or conflict between the terms and conditions of the above mentioned documents, this Agreement shall prevail over those in the Proposal. These documents together constitute the entire Agreement between the parties with respect to any matter referenced herein and supersede any and all other prior writings and oral negotiations. Only a writing executed by the parties hereto or their respective successors and assigns may modify this Agreement.

1.2. Representatives. The City Manager or his designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of City, called for by this Agreement, except as otherwise expressly provided in this Agreement. Contractor shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Contractor called for by this Agreement, except as otherwise expressly provided in this Agreement.

1.3. Project Managers. The Costa Mesa Fire Department EMS Coordinator shall be the Project Manager designated by the City to work directly with Contractor in the performance of this Agreement. Contractor shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Contractor or its Project Manager shall attend and assist in all coordination meetings called by City.

1.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder shall be made in writing and may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONTRACTOR:	IF TO CITY:
Care Ambulance Service, Inc.	City of Costa Mesa
1517 W. Branden Court	77 Fair Drive
Orange, CA 92868	Costa Mesa, CA 92626
Tel: 714-288-3800	Tel: 714-754-5155
Fax: 714-288-3802	Fax: 714-754-4944
Attn: Rick Richardson	Attn: EMS Coordinator

1.5. Drug-free Workplace Policy. Contractor shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "A" and incorporated herein by reference. Contractor's failure to conform to the requirements set forth in Council Policy 100-5 shall constitute a material breach of this Agreement and shall be cause for immediate termination of this Agreement by City.

1.6. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

1.7. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

1.8. Assignment. Contractor shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Contractor's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Contractor of Contractor's obligation to perform all other obligations to be performed by Contractor hereunder for the term of this Agreement.

1.9. Indemnification and Hold Harmless. To the fullest extent permitted by law, Contractor shall protect, defend, indemnify and hold harmless City and its elected and appointed officials, officers, and employees from any and all claims, liabilities, expenses, including attorney fees, damage to property or injuries to or death of any person or persons or damages of any nature including, but not by way of limitation, all civil claims or workers' compensation claims arising out of or in any way connected with the intentional or negligent acts, error or omissions of Contractor, its employees, agents or subcontractors in the performance of this Agreement.

1.10. Independent Contractor. Contractor is and shall be acting at all times as an independent contractor and not as an employee of City. Contractor shall secure, at its expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Contractor and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder.

1.11. PERS Eligibility Indemnification. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and/or entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

1.12. Inspections. The EMS Coordinator, or any other person designated by the Fire Chief or City Manager, shall have the authority to inspect all facilities, properties, vehicles, documents, and records of any type of data storage means furnished or prepared by Contractor or any of its subcontractors in the course of performance of this Agreement. City shall also be entitled to receive copies of any documents or records it may request upon reasonable notice to Contractor.

1.13. Public Records Act Disclosure. Contractor has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by Contractor, or any of its subcontractors, and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 et. seq.). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Contractor informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

1.14. Responsibility for Errors. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the EMS Coordinator or other City-designated representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Contractor occurs, then Contractor shall, at no cost to City, provide all necessary paperwork regarding Contractor professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

1.15. Prohibited Employment. Contractor will not employ any regular employee of City while this Agreement is in effect without prior approval by the Fire Chief.

1.16. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

1.17. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement, and no third party shall have any right in, under, or to this Agreement.

1.18. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain, or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

1.19. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

1.20. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

1.21. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

1.22. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party is materially impaired, which determination as made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

1.23. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

1.24. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

1.25. Records and Audits. Records of Contractor's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City for inspection and/or audit at mutually convenient times throughout the term of this Agreement (including any extensions), and for a period of three (3) years after the Agreement is terminated for any reason.

2.0. EMERGENCY AMBULANCE SERVICES PROVIDED BY CONTRACTOR

2.1. Scope of Emergency Ambulance Services. During the term of this Agreement and any extension, Contractor shall provide the Basic Life Support (BLS) and Advanced Life Support (ALS) emergency ambulance services in the City of Costa Mesa (the "Services"). The Services provided by Contractor under this Agreement shall be performed in accordance with the terms of this Agreement and in Contractor's Proposal.

2.2. Inter-Agency Communications. The on-duty field supervisor shall be equipped with both a mobile and a portable 800 MHz radio that enables him/her to communicate directly with CMFD field personnel at all times.

2.3. Additional Vehicle Equipment. Contractor shall equip all four CMFD ambulances (3 primary, 1 reserve) with both an on-board 800 MHz radio, and at least one portable 800 MHz radio for the crew to carry.

2.4. Required Medical Inventory. All CMFD ambulances shall be equipped with Sager Model S304 Form III Bilateral splints.

2.5. Facility Furnishings and Inventory. Each ambulance station shall be furnished with a television that has both DVD and VHS playback capability, which may be used for both education and entertainment purposes.

2.6. Furnishings and Inventory. Each ambulance station shall maintain a library that includes the following:

(a) Manufacturer instruction manuals for EMS equipment on ambulance.
(b) Current Orange County EMS Agency Treatment Guidelines manual.
(c) Primary paramedic textbook currently used by Saddleback College.
(d) Primary EMT textbook currently used by Saddleback College.
(e) Most current copy of American Heart Association ECC Guidelines.
(f) Current Orange County Thomas Guide map book.
(g) Journal of Emergency Medical Services (JEMS) magazine subscription.

2.7. Furnishings and Inventory. Each ambulance station shall be equipped with a computer system, including a printer, with high-speed internet access, Adobe Acrobat Reader software, and Microsoft Word software. Each Costa Mesa Ambulance Operator will have an e-mail address that s/he can access at his/her assigned ambulance station, and to/from which the EMS Coordinator may send/receive e-mails directly. Each Costa Mesa Ambulance Operator shall check his/her e-mail in-box at least once per 24-hour shift. E-mails from the EMS Coordinator shall be read immediately or as soon as practical, and responded to promptly when requested.

2.8. Personnel Qualifications. Contractor may staff any CMFD ambulance with an employee who is not an authorized emergency ambulance driver, with the caveat that all four CMFD ambulances shall be staffed by at least one qualified and authorized emergency ambulance driver at all times.

2.9. Roster. Contractor shall ensure that the EMS Coordinator is provided an updated roster of all CMFD ambulance personnel whenever permanent staffing changes are made.

2.10. Personnel Credentials. Contractor shall have the option of keeping emergency driver safety course completion documentation for Costa Mesa Ambulance Operators at its headquarters or other designated facility, so long as the documentation is available for inspection by the EMS Coordinator, the on-duty CMFD Battalion Chief, any CMFD member designated by the Fire Chief, or any person designated by the City Manager.

2.11. Time Standards. Contractor shall meet all ground ambulance time standards at a compliance rate of at least 93% (fractile).

2.12 Health Insurance Portability and Accountability Act (HIPAA). The parties agree that each is a Covered Entity as that term is defined in HIPPA, 45 CFR Part 160.103. Each has an independent obligation to maintain the confidentiality of protected health information of persons who are provided medical services by City, Contractor or both. Therefore, the parties

have not and need not enter into a Business Association Agreement, and each will endeavor to maintain the confidentiality of any protected health information that is obtained from any patient treated by City and/or Contractor.

2.13. Professional Practices. All Services to be provided by Contractor pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence, and skill ordinarily exercised by professional contractors in similar fields and circumstances in accordance with sound professional practices. Contractor also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Contractor's performance of this Agreement.

2.14. Warranty. Contractor warrants that it shall perform Services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to: laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; Health Insurance Portability and Accountability Act (HIPAA); workers' compensation insurance and safety in employment; and all other Federal, State, and local laws and ordinances applicable to the services required under this Agreement. Contractor shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Contractor's performance under this Agreement.

2.15. Non-discrimination. In performing this Agreement, Contractor shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

2.16. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Contractor may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Contractor's sole cost and expense.

3.0. PATIENT BILLING SERVICES PROVIDED BY CONTRACTOR

3.1. Scope of Patient Billing Services. Contractor shall provide the patient billing services as described in this section 3.0 ("Patient Billing Services Provided by Contractor").

3.2. No Compensation to Contractor from City.

(a) Contractor will not be compensated by the City for its Services under this Agreement. Subject to the terms and conditions of this Agreement, Contractor will be compensated solely by billing patients, both residents and non-residents, for ambulance-related services provided by Contractor

in the City according to the Ground Emergency Ambulance Service Rates established by the Orange County Board of Supervisors (Orange County EMS Agency Policy #720.00, Section 312).

(b) City assumes no financial liability for the cost of services to be provided to patients pursuant to this Agreement, including financial liability for the costs of dry runs (non-transports).

(c) Pursuant to Title 42 United States Code Sections 1320-a-7b(b), as consideration for Contractor's agreement to provide billing services for City, City shall provide Contractor with the use and support of dispatching services necessary to fulfill the obligations of this Agreement. The parties acknowledge that the total value of the services rendered by Contractor to City for billing services and the value of services rendered by City to Contractor under this Agreement for dispatching services are impractical to determine with any reasonable degree of specificity, but are believed to be equivalent. Consequently, the parties agree that the value of the services each party renders to the other under this section shall be deemed equivalent and neither party shall owe the other party any further monetary consideration.

3.3. Fire Department Fees. Contractor shall bill, collect, and reimburse to City the following Fire Department fees identified in this section 3.3 ("Fire Department Fees"). Fire Department fees are subject to future modification as determined by the City, and written notice of any such fee changes shall be given to Contractor by City. The Fire Department fees to be billed by Contractor are as follows:

(a) First Responder Fee. A fee of $275.00 will be charged to all non-resident patients who are transported by ambulance. This fee is intended to help offset some of the response-related costs borne by City, including the dispatch and response of fire apparatus and professional EMS responders, in addition to all prehospital emergency medical assessment and treatment performed on scene by CMFD personnel.

1. Contractor shall identify, code, bill and collect all response fees on behalf of City for EMS response services rendered by the Costa Mesa Fire Department. Such billing shall be conducted on a separate bill from Company's ambulance transport bill and shall include the City of Costa Mesa logo and taxpayer identification number.

2. Contractor shall ensure that all amounts billed and collected on behalf of City are separately identified within the accounting records in sufficient detail to allow for verification and audits by City, and that such records will be retained for the current year of operation and for the preceding six (6) years.

3. Contractor shall establish a separate joint billing agency trust or checking account for the deposit of all response fees collected on behalf of City. Contractor shall, on or before the close of business on the last day of every calendar month, remit all funds collected on behalf of the City during the immediately preceding calendar month.

(b) ALS (Advanced Life Support) Fee, Non-Residents – A fee of $300.00 will be charged to all non-resident patients who are transported by ambulance with paramedic escort because their medical condition warrants ALS-level assessment and/or treatment. This fee is intended to help offset some of the costs borne by City for providing Contractor paramedics so that Contractor has the ability to transport patients requiring ALS-level care. Contractor shall, on or before the close of business on the last day of every calendar month, remit, by separate check, all ALS fee funds collected from non-residents during the immediately preceding calendar month.

(c) ALS (Advanced Life Support) Fee, Residents – A fee of $300.00 will be billed to the medical insurance provider (e.g., private insurance company, Medicare, Medi-Cal) of all resident patients who are transported by ambulance with paramedic escort because their medical condition warrants ALS-level assessment and/or treatment. Contractor shall waive all patient co-pay and deductible charges of residents that are specific to this fee. Contractor shall waive the $300 ALS fee for all Costa Mesa residents who do not have any form of medical insurance or coverage. All waivers will be automatically reflected in the billing statement mailed by Contractor, which will be an amount reduced according to the amount waived. Contractor shall, on or before the close of business on the last day of every calendar month, remit, by separate check, all ALS fee funds collected during the immediately preceding calendar month.

3.4. Supply Reimbursement. Contractor shall reimburse City $18.15 for each patient transported by ambulance, regardless of what Contractor actually collects from the patient. This reimbursement is intended to help offset some of the costs borne by City for expendable medical supplies used during patient care. Contractor shall, on or before the close of business on the last day of every third calendar month, remit, with a separate check, all supply reimbursement funds collected during the immediately preceding three (3) calendar months.

3.5. Billing Exemptions. Contractor may bill any patient in law enforcement custody or otherwise legally detained by power of government who is transported by ambulance.

3.6. Additional Services. Contractor shall not receive compensation for any services provided outside the scope of Services described in this Agreement unless City, prior to Contractor performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

4.0. TIME OF PERFORMANCE

4.1. Commencement and Completion of Work. The professional Services to be performed pursuant to this Agreement shall commence on September 1, 2010, at 7:30 a.m. Failure to commence work in a timely manner and/or diligently pursue work to completion during the term of this Agreement may be grounds for termination of this Agreement.

4.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Exemptions to ambulance response time standards may be granted at the sole discretion of the EMS Coordinator upon request by Contractor in the following situations:

(a) Any condition, such as weather, so severe as to impair the ability of the ambulance crew to meet the time standards without driving at a speed that is greater than is reasonable or prudent under the conditions, and/or in a manner that does not afford due regard for the safety of others.

(b) In times of natural or man-made disasters that have been declared by the appropriate governmental agency, response time standards may be presumed waived until such time as the disaster is mitigated and normal operations are restored.

5.0. TERM AND TERMINATION

5.1. Term. The term of this Agreement shall commence on September 1, 2010, at 7:30 a.m., and continue for a period of three (3) years, ending on September 1, 2013, at 7:30 a.m., unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

5.2. Extension of Term. At the expiration of this 3-year term, Contractor may request City to extend the Agreement for an additional term. In no event shall this Agreement last more than a total of ten (10) years, including the initial 2-year term, which commenced in September 2008, and any extensions thereto.

5.3. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending, or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Contractor. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Contractor shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

5.4. Documents. In the event of termination of this Agreement, all documents prepared by Contractor in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Contractor, at no cost to City. Any use of uncompleted documents without specific written authorization from Contractor shall be at City's sole risk and without liability or legal expense to Contractor.

6.0. INSURANCE

6.1. Controlling Insurance Provisions. The insurance provisions delineated in this Agreement supersede any insurance-related provisions of the Proposal and any other documents that preceded the original Agreement.

6.2. Minimum Scope and Limits of Insurance. Contractor shall obtain and maintain during the life of this Agreement all of the following insurance coverages:

(a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than Three Million Dollars ($3,000,000.00) per occurrence. If the policy carries an annual aggregate, it shall be in an amount not less than Six Million Dollars ($6,000,000.00).

(b) Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than Three Million Dollars ($3,000,000.00) per occurrence. If policy carries an annual aggregate, it shall be in amount not less than Six Million Dollars ($6,000,000.00).

(c) Workers' compensation insurance as required by the State of California.

(d) Ambulance Medical Malpractice Insurance ("E&O") liability insurance with policy limits of not less than Three Million Dollars ($3,000,000.00) per policy term. If policy carries an annual aggregate, it shall be in an amount not less than Six Million Dollars ($6,000,000.00) per occurrence. Such insurance coverage may be combined with either the general or automobile liability coverage required above. However, if the insurance coverage is so structured, the combined coverage shall be in an amount not less than Five Million Dollars ($5,000,000.00) per occurrence, with an annual aggregate of not less than Ten Million Dollars ($10,000,000.00). Contractor shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

6.3. Endorsements. The comprehensive general liability insurance policy shall contain or be endorsed to contain the following provisions:

(a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees are additional insureds with respect to this subject project and contract with City."

(b) Notice: "Said policy shall not terminate, nor shall it be cancelled, nor the coverage reduced, until thirty (30) days after written notice is given to City."

(c) Other insurance: "Any other insurance maintained by the City of Costa

Mesa shall be excess and not contributing with the insurance provided by this policy."

6.4. Deductibles. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

6.5. Certificates of Insurance. Contractor shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.

6.6. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Contractor may be held responsible for payments of damages to persons or property.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA,
A municipal corporation

_____ Date: 8-19-10

Mayor of the City of Costa Mesa
CITY

CARE AMBULANCE SERVICE, INC.

_____ Date: 9/13/10

Signature

Dan Richardson CO-CEO

Name and Title

_____

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

_____ Date: 8/5/10

City Attorney

APPROVED AS TO INSURANCE:

_____ Date: 8/9/10

Risk Management

APPROVED AS TO CONTENT:

_____ Date: 08-05-2010

Fire Chief

ATTEST:

_____

CITY CLERK

EXHIBITS

EXHIBIT A: CITY COUNCIL POLICY 100-5 (see below)

EXHIBIT B: CERTIFICATES OF INSURANCE (attached)

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	1 of 3

BACKGROUND

Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a sub-grantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

PURPOSE

It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.

2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

POLICY

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:

   a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;

b. Establishing a Drug-Free Awareness Program to inform employees about:

   1. The dangers of drug abuse in the workplace;

   2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;

   3. Any available drug counseling, rehabilitation and employee assistance programs; and

   4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;

d. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:

   1. Abide by the terms of the statement; and

   2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

e. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;

f. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:

   1. Taking appropriate personnel action against such an employee, up to and including termination; or

   2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

g. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.

2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:

   a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;

   b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;

   c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.

3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 7/29/2010

PRODUCER (714) 905-1923 FAX: (714) 905-1910
Hayward Tilton & Rolapp Insurance Associates,
CA Dept. of Ins. Lic. #0614365
888 S. Disneyland Dr., Ste 400
Anaheim CA 92802-1846

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Care Ambulance Service, Inc.
1517 Braden Court
Orange CA 92868

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Arch Specialty Ins Company	
INSURER B: Scottsdale Insurance	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	X	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY X CLAIMS MADE ☐ OCCUR X Retro date: 7/15/02 GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY ☐ PRO-JECT ☐ LOC	FLP0003967400 Medical Professional Liability-separate limits See below Claims expense is in addition to policy limits	7/15/2010	7/15/2011	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 3,000,000 $ 300,000 $ 5,000 $ 3,000,000 $ 6,000,000 $ 6,000,000
B		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	CAS0092142	7/15/2010	7/15/2011	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
B		EXCESS / UMBRELLA LIABILITY X OCCUR ☐ CLAIMS MADE DEDUCTIBLE RETENTION $	XLS00060283 Excess Liability over Primary Auto Liability only	7/15/2010	7/15/2011	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ None $ $ $
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N ☐ If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A		OTHER Medical Professional Liability	FLP003967400	7/15/2010	7/15/2011	Occurrence Limit Aggregate Limit	$3,000,000 $6,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

The City of Costa Mesa and it's elected and appointed boards, officers, agents and employees are additional insureds as respects General Liability per endorsement 00ML0207001103 attached, as respects to insured's contract with City. Endorsement includes primary and noncontributory wording and waiver of subrogation.

CERTIFICATE HOLDER

(714) 754-4944

City of Costa Mesa
Attn: EMS Coordinator
77 Fair Drive
Costa Mesa, CA 92626

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Laurie Gerometta/LKG Laurie Gerometta

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ADDITIONAL COVERAGES

Ref #	Description	Coverage Code	Form No.	Edition Date
	Employee Benefits	EBLIA		

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium
1,000,000	3,000,000		1,000	Flat	

Ref #	Description	Coverage Code	Form No.	Edition Date
	Professional Medical Liab			

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium
3,000,000	6,000,000		5,000	Flat	

Ref #	Description	Coverage Code	Form No.	Edition Date
	Underinsured motorist	UIM		

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium
30,000	60,000				

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

Ref #	Description	Coverage Code	Form No.	Edition Date

Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type	Premium

OFADTLCV

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Additional Named Insureds

Other Named Insureds	
Braden Court LLC (GL only)	Limited corporation

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Arch
Insurance Group®

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGE ENDORSEMENT

Additional Premium Due: $0.00 **Return Premium Due:** $0.00

This policy is changed as follows:

Endorsement Number 10 - Additional Protected Persons Endorsement - Specified Terms and Notice has been deleted and replaced by Endorsement Number 12.

This change adds City of Costa Mesa.

Policy Change Number: 2

Policy Number: FLP0039674-00

Named Insured: Care Ambulance Service, Inc.

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: 7/15/2010

Mark D. Lyons
President
Arch Specialty Insurance Company

Martin J. Nilsen
Secretary
Arch Specialty Insurance Company

Issuing Company:
Arch Specialty Insurance Company
A Nebraska Corporation
Home Office Address:
10306 Regency Parkway Drive
Omaha, NE 68113

Administrative Office:
Arch Specialty Insurance Company
1 Liberty Plaza, 53rd Floor
New York, NY 10006

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROTECTED PERSONS ENDORSEMENT - SPECIFIED TERMS AND NOTICE

This endorsement modifies insurance provided under the following:

Healthcare General Liability Coverage Form - Claims-Made

The organizations listed below are added to **Section II - Who Is An Insured** of your policy. Coverage is provided for them only for the work you performed or should have performed on their behalf. They will share in your limit of insurance for any covered "claim" or "suit". Damages paid on their behalf will reduce and may exhaust your limits of insurance under this policy.

Further, this insurance is primary, but only to the extent required by your written contract with the named insured to provide insurance that is primary and non-contributory, and the written contract so requiring is executed by the named insured before any "claim" or "suit".

With regard to these contracts, the following changes are made to your **Common Policy Conditions:**

2. Cancellation is deleted in its entirety and replaced with the following:

Cancellation

The first Named Insured shown in the Introduction may cancel this policy by mailing or delivering to us advance written notice of cancellation.

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

a. Thirty (30) days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

Section **15. Transfer of Rights of Recovery Against Others To Us** is deleted in its entirety and replaced with the following:

Transfer of Rights of Recovery Against Others To Us

We waive the right of recovery we may have against the organizations named below because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with the organizations and included in the "products-completed operations hazard". This waiver applies only to the organizations named below.

Named Additional Protected Person:

Orange County;
Orange County Fire Authority;
City of Costa Mesa and its elected and appointed boards, officers, agents, and employees;

All other terms of your policy remain unchanged.

Issued By: Arch Specialty Insurance Company

Endorsement Number: 12

Policy Number: FLP0039674-00

Named Insured: Care Ambulance Service, Inc.

Endorsement Effective: 07/15/2010

Mark D. Lyons
President

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 12/2/2009

PRODUCER (714)905-1923 FAX: (714)905-1910
Hayward Tilton & Rolapp Insurance Associates,
CA Dept. of Ins. Lic. #0614365
888 S. Disneyland Dr., Ste 400
Anaheim CA 92802-1846

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Care Ambulance Service Inc.
1517 Braden Court
Orange CA 92868

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: National Union Fire Ins. Co.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
		GENERAL LIABILITY					
		COMMERCIAL GENERAL LIABILITY				EACH OCCURRENCE	$
	X	CLAIMS MADE ☐ OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
						MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		☐ POLICY ☐ PRO-JECT ☐ LOC					
		AUTOMOBILE LIABILITY					
		ANY AUTO				COMBINED SINGLE LIMIT (Ea accident)	$
		ALL OWNED AUTOS					
		SCHEDULED AUTOS				BODILY INJURY (Per person)	$
		HIRED AUTOS					
		NON-OWNED AUTOS				BODILY INJURY (Per accident)	$
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY					
		ANY AUTO				AUTO ONLY - EA ACCIDENT	$
						OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS / UMBRELLA LIABILITY					
		OCCUR ☐ CLAIMS MADE				EACH OCCURRENCE	$
						AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				X WC STATU-TORY LIMITS ☐ OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N ☐ (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below	WC6711379	12/1/2009	12/1/2010	E.L. EACH ACCIDENT	$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	$ 1,000,000
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

"Proof of Coverage"

*CANCELLATION: 10-days Notice for Non-Payment of Premium and/or Non-Reporting of Payroll.

CERTIFICATE HOLDER

(714)754-4944
City of Costa Mesa
Attn: EMS Coordinator
77 Fair Drive
Costa Mesa, CA 92626

CANCELLATION

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AUTHORIZED REPRESENTATIVE
Laurie Gerometta/LKG Laurie Gerometta

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