

**CITY OF COSTA MESA
PROFESSIONAL SERVICES AGREEMENT
WITH
CALIFORNIA FORENSIC PHLEBOTOMY, INCORPORATED**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 1st day of July, 2019 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and CALIFORNIA FORENSIC PHLEBOTOMY, INCORPORATED, a California corporation ("Consultant").

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide blood withdrawal testing services, as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

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

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Proposal, attached hereto as Exhibit "A" and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant 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 consultants in similar fields and circumstances in accordance with sound professional practices. Consultant 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 Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the

matters of concern;

- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; 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. Consultant 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 Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. 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. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit A. Consultant's annual compensation shall not exceed Eighty Thousand Dollars (\$80,000.00).

2.2 Fee Increases. Consultant shall not increase its fees during the first two years of this Agreement. Thereafter, Consultant may increase its fees on an annual basis using the Consumer Price Index for All Urban Consumers for the Los Angeles–Long Beach–Anaheim area (CPI). The adjustment will be determined using the January index for the current year and the January index for the preceding year. However, in no event shall the increase in Consultant's fees exceed three percent (3%). Any increase to Consultant's fees shall be effective on the anniversary date of this Agreement. If Consultant desires to increase its fees as set forth herein, Consultant shall provide written notice to the City at least thirty (30) days prior to the anniversary date of this Agreement, which notice shall include reference to the CPI index, the percentage CPI increase, and Consultant's revised fees based on such CPI increase.

2.3. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City Manager or designee, prior to Consultant 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.

2.4. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.5. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. Unless otherwise agreed to in writing by the parties, the professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. 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. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of five (5) years, ending on June 30, 2024, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. 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 Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant 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 Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers'

compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant 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.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability 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, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. 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.

5.4. Certificates of Insurance. Consultant 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. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. 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 Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

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

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery 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, and (b) 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 CONSULTANT:

California Forensic Phlebotomy, Inc.
5753 Santa Ana Canyon Rd., Suite G-553
Anaheim Hills, CA 92807
Tel: (714) 529-0515
Attn: Robert Vega

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Tel: (714) 754-4812
Attn: Vic Bakkila

Courtesy copy to:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Finance Dept. | Purchasing

6.5. Drug-Free Workplace Policy. Consultant shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "C" and incorporated herein by reference. Consultant'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.

6.6. 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.

6.7. 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.

6.8. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant'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 Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful

misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.10. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant shall secure, at its sole 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 Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.11. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant 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 the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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, Consultant 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 entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.12. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.13. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of

incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.14. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement 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 Consultant 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.

6.15. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.16. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant 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.

6.17. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.18. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.19. 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.

6.20. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant 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.

6.21. 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.

6.22. 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.

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

6.24. 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.

6.25. 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 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.

6.26. 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.

6.27. 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.

[Signatures appear on following page.]

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.

CONSULTANT

[Signature]
Signature

Date: 6/5/2019

Robert
[Name and Title]

33-0172894
Social Security or Taxpayer ID Number

CITY OF COSTA MESA

[Signature]
~~Tamara Letourneau~~ LORI ANN PARCELL HARRISON
Acting City Manager

Date: 7/8/19

ATTEST:

Brenda Green 7/9/19
Brenda Green
City Clerk



APPROVED AS TO FORM:

[Signature]
Kimberly Hall Barlow
City Attorney


Date: 7/13/19

APPROVED AS TO INSURANCE:

[Signature]
Ruth Wang
Risk Management

Date: 6/12/19


APPROVED AS TO CONTENT:



Victor Bakkila
Project Manager

Date: 6-14-2019

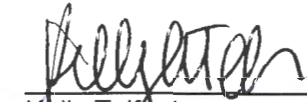
DEPARTMENTAL APPROVAL:



Robert N. Sharpnack
Police Chief

Date: 6/14/19

APPROVED AS TO PURCHASING:



Kelly Telford
Finance Director

Date: 6/20/19

EXHIBIT A
CONSULTANT'S PROPOSAL



**CALIFORNIA
FORENSIC
PHLEBOTOMY
INCORPORATED**

5753 E. Santa Ana Cyn Rd. Suite G-553
Anaheim Hills, CA 92807
e-mail rvega@californiaforensicphlebotomy.com
24 Hour Technician Response 714.529.0515
Administration 949.309.2459
Fax 949.203.2133

May 2, 2019

City of Costa Mesa
Police Department
99 Fair Drive
Costa Mesa, CA 92626

Attention: Lt. Vic Bakkila

Sirs:

We wish to take this opportunity to thank the City of Costa Mesa Police Department for its continued utilization and support of our services over the past contract period. We are now in our 37th year of operation and continue to be the sole source provider for Blood Withdrawal Testing Services for ALL Orange County law enforcement agencies. We look forward to providing you with our services during this next contract period and for many years to come.

Scope of Services: Consultants shall provide the professional services of obtaining blood samples at the direction of police officers and appear to testify in court at the direction of the District Attorney's office. Consultants shall respond when and where requested by Police personnel to draw blood for evidentiary purposes and to testify in court when needed. Employees of the contractor must be available on-call 24 hours a day, 365 days per year, and must be able to respond to any given location within 45 minutes.

Compensation: Consultants' compensation for services rendered will be as followed: \$101.32 per blood test and \$117.75 per hour for DUI checkpoint coverage. The consultants' compensation shall in no case exceed Eighty Thousand Dollars per year (\$80,000).

I would also like to take this opportunity to make you aware of a change in CFP ownership. Russ Liedholm recently retired, allowing my wife, Melissa, and I to purchase CFP Inc. I most recently was the Director of Field Operations and for the past 12 years also serving as a field blood technician. It is my honor to continue serving Orange County law enforcement agencies and maintaining the service and integrity of CFP. Apart from a new mailing address noted below, no other operational changes are planned. Please refer all future correspondence to my attention at the following address:

5753 E. Santa Ana Cyn Road
Suite G-553
Anaheim Hills, CA 92807

Once again, we wish to thank you for your continued support, and we look forward to continuing our long-term relationship with the City of Costa Mesa Police Department. If you should have any questions, please feel free to contact me personally.

Sincerely,

Robert J. Vega
CEO & President
California Forensic Phlebotomy, Inc.
(714) 783-8519 cell

EXHIBIT B
CERTIFICATES OF INSURANCE



EVANSTON INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED ENDORSEMENT – GENERAL LIABILITY (REQUIRED BY CONTRACT)

This endorsement modifies insurance provided under the following:

SPECIFIED MEDICAL PROFESSIONS GENERAL LIABILITY INSURANCE COVERAGE PART

In consideration of the premium paid, it is hereby understood and agreed that the policy is amended as follows:

1. Section The Insured is amended by the addition of the following:

Whenever used in this Coverage Part, the unqualified word Insured shall also mean Additional Insured.

2. Additional Insured means, whenever used in this endorsement, the following:

Any organization that the Insured is required to include under the policy as an Additional Insured by a written contract or written agreement in effect during this policy period and executed prior to the 'occurrence of the 'bodily injury' or 'property damage.'

3. Coverage provided to any Additional Insured as defined herein shall apply solely to an Occurrence or offense involving the products, goods, operations or premises covered by this Coverage Part.
4. No coverage shall be afforded to the above Additional Insured for Bodily Injury, Property Damage, Personal Injury or Advertising Injury to any Employee or to any obligation of the Additional Insured to indemnify another because Damages arising out of such injury.
5. In the event that the Limits of Insurance provided by this policy exceed the Limits of Insurance required by the written contract or written agreement, the insurance provide by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance shown in the Declarations pertaining to the coverage provided herein.
6. Where no coverage shall apply herein for the Named Insured, no coverage or defense shall be afforded to the above Additional Insured.
7. The person or organization is only an additional insured with respect to liability arising out of 'your work' or 'your product.'
8. In accordance with the terms and conditions of the policy and as more fully explained in the policy, as soon as practicable, each additional insured must give the Company prompt notice of any act, error or omission which may result in a claim, forward all legal papers to the Company, cooperate in the defense of any actions, and otherwise comply with all the policy's terms and conditions. Failure to comply with this provision may, at the Company's option, result in the claim or suit being denied

All other terms and conditions remain unchanged.

9. The Additional Insured and the Named Insured shall be represented by the same lawyer unless such mutual representation is prohibited by law or by any applicable professional code of conduct.
10. This insurance shall be primary and non-contributory insurance.

All other terms and conditions remain unchanged.



**Management Liability Solution
DECLARATIONS**

Insurance is afforded by the company indicated below:
(each a capital stock corporation) (hereinafter referred to as the “**Insurer**”)

Great American Insurance Company

NOTICE APPLICABLE TO THE LIABILITY COVERAGE PARTS: THIS POLICY IS WRITTEN ON A “CLAIMS MADE” BASIS. AS SUCH, COVERAGE, SUBJECT TO APPLICABLE TERMS AND CONDITIONS, IS AVAILABLE ONLY TO CLAIMS FIRST MADE DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, THE DISCOVERY PERIOD APPLIES. FURTHER, COSTS OF DEFENSE ARE SUBJECT TO THE APPLICABLE RETENTION AND COSTS OF DEFENSE IN EXCESS OF THE APPLICABLE RETENTION SHALL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY ALL OTHER LOSS, INCLUDING SETTLEMENTS AND JUDGMENTS.

Policy Number: DPLE319763		Policy Form Number: D55100-G	
Item 1.	Named Entity:	CALIFORNIA FORENSIC PHLEBOTOMY, INC.	
	Principal Address:	5753 E. SANTA ANA CYN RD STE G-553 ANAHEIM HILLS, CA 92807	
	Attention:	President/CEO	
Item 2.	Policy Period:	From 4/12/2019	To 4/12/2020
		(Month, Day, Year)	(Month, Day, Year)
	(Both dates at 12:01 a.m. Local Time at the address of the Named Entity as stated in Item 1.)		
Item 3.	Defense Coverage – The Named Entity elects the following defense coverage applicable to all Liability Coverage Parts designated as “Included in Policy” in Column 1. of Item 4. of the Declarations:		
	<input checked="" type="checkbox"/> Duty-to-Defend	<input type="checkbox"/> Indemnity	
This election may not be amended after the inception of the Policy Period identified in Item 2.			

Item 4. **Included Coverage Parts – Limits, Retentions, and Prior and Pending Dates:**

Coverage Parts	Column 1: Included in Policy	Column 2: Shared Limit of Liability	Column 3: Separate Limit of Liability	Column 4: Retention	Column 5: Prior and Pending Date
Liability Coverage Parts					
Coverage Part A. Directors' and Officers' and Entity Liability	Not Included	N/A Shared with: N/A	N/A	See D&O Coverage Schedule	N/A
Coverage Part B. Employment Practices Liability	Included	N/A Shared with: N/A	\$1,000,000	See EPL Coverage Schedule	4/12/2019
Coverage Part C. Fiduciary Liability	Not Included	N/A Shared with: N/A	N/A	N/A	N/A
Non-Liability Coverage Parts					
Coverage Part D. Commercial Crime	Not Included	See Crime Coverage Schedule	See Crime Coverage Schedule	See Crime Coverage Schedule	Not applicable

Specific Coverage Part Schedules (noted above in Column 1 and within each Coverage Part Schedule, if included)

PART A	Not Included	A. Directors' and Officers' and Entity Liability Coverage Schedule			
		Insuring Agreements		Separate Retentions	
		A. Individual Liability		N/A	
		B. Reimbursement		N/A	
		C. Entity Liability		N/A	
		D. Outside Directorship		See Policy	
		D&O Coverage Sub-Limits		Sub-Limit of Liability	
		(1) Investigative Costs for Shareholder Derivative Demands		N/A	
		(2) Liability for TCPA Wrongful Acts		N/A	
		(3) Liability for UK Bribery Act Penalties		N/A	
PART B	Included	B. EPL Coverage Schedule			
		Insuring Agreements		Separate Retentions	
		A. Employment Practices Coverage		\$15,000	
B. Third Party Coverage		\$15,000			
PART C	Not Included	C. Fiduciary Liability Coverage Schedule			
		Fiduciary Coverage Sub-Limits		Sub-Limit of Liability	
		(1) HIPAA Penalties		N/A	
		(2) 502(c) Penalties		N/A	
		(3) PPACA Penalties		N/A	
(4) Voluntary Compliance Program Payments		N/A			
PART D	Not Included	D. Commercial Crime Coverage Schedule			

Coverage Part D. is issued subject to either: (i) a Single Limit of Liability applicable in the aggregate to all Included Insuring Agreements; or (ii) a Separate Limit of Liability applicable to each Included Insuring Agreement as set forth in the Commercial Crime Coverage Schedule below (select one):

Single Limit of Liability Separate Limits of Liability

Single Limit of Liability applicable to all Included Insuring Agreements (if applicable): N/A

	Insuring Agreements Included	Separate Limit of Liability (if applicable)	Retention
Insuring Agreement A. Fidelity			
(1) Employee Theft	No	N/A	N/A
(2) Employee Theft of Client Property	No	N/A	N/A
(3) Employee Theft of Employee Benefit Plan Property	No	N/A	N/A
Insuring Agreement B. Forgery or Alteration	No	N/A	N/A
Insuring Agreement C. Inside the Premises	No	N/A	N/A
Insuring Agreement D. Outside the Premises	No	N/A	N/A
Insuring Agreement E. Computer Fraud	No	N/A	N/A
Insuring Agreement F. Money Orders and Counterfeit Paper Currency	No	N/A	N/A
Insuring Agreement G. Funds Transfer Fraud Coverage	No	N/A	N/A
Insuring Agreement H. Claim Expense	No	N/A	N/A

Item 5. A. Policy Premium: \$5,940

B. Additional Discovery Premium Amount (percentage of Policy Premium or, if the **Policy Period** is other than annual, percentage of annualized premium) for a **Discovery Period**, pursuant to Section I. of the General Terms and Conditions of this Policy:

<u>Discovery Period Options</u>	<u>Percentage of Policy Premium or Annualized Premium</u>
One year:	50%
Two years:	100%
Three years:	150%

Item 6. Endorsements Attached:

D55500 D55703 (2) D55708 (1) D55712 (12) D55712 (19) DTCOV

Item 7. Notices: All notices required to be given to the **Insurer** pursuant to Section VIII. of the General Terms and Conditions of this Policy shall be reported as follows:

Please mail or e-mail notice of any CLAIMS to:	Great American Insurance Company Executive Liability Division Claims Department P. O. Box 66943 Chicago, IL 60666 e-mail: eldclaims@gaig.com
Please send all other notices to:	Great American Insurance Company Executive Liability Division P. O. Box 66943 Chicago, IL 60666 e-mail: eld@gaig.com
To contact Great American by phone:	1-800-972-3008



Management Liability
Solution

PAST ACTS EXCLUSION

It is understood and agreed that the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made under any **Liability Coverage Part** against any **Insured** based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any **Wrongful Act(s)** or **Related Wrongful Act(s)** which occurred on or before 4/12/2019.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.

Insured: CALIFORNIA FORENSIC PHLEBOTOMY, INC.

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Endorsement Effective Date:4/12/2019



Management Liability
Solution

**COSTS OF DEFENSE SUB-LIMIT FOR
WAGE AND HOUR CLAIMS**

For purposes of the coverage extended by this endorsement, it is understood and agreed that the General Terms and Conditions and Coverage Part B of the Policy and the Declarations are amended as follows:

General Terms and Conditions Amendment

Section V. is amended by the addition of the following:

With respect to any **Wage and Hour Claim** that also includes an **Employment Practices Wrongful Act**, the **Insurer** and **Insured(s)** shall use their best efforts to agree upon a fair and proper allocation of the **Costs of Defense**; provided, however, if there is no agreement on an allocation of such **Costs of Defense**, the **Insurer** shall advance any **Costs of Defense** which the **Insurer** believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined.

Coverage Part B Amendments

1. Section I. is amended by the addition of the following:

- C. Subject to the Sub-Limit of Liability stated below, the **Insurer** shall pay on behalf of the **Insureds** all **Costs of Defense** which the **Insureds** shall be legally obligated to pay as a result of a **Wage and Hour Claim** first made against an **Insured** during the **Policy Period** or **Discovery Period** for a **Wage and Hour Wrongful Act**.

2. Section II. is amended by the addition of the following:

Wage and Hour Claim shall mean any **Claim** by any **Claimant** for a **Wage and Hour Wrongful Act**, but shall not include any **Claim** for any actual or alleged retaliation for the exercise of rights pursuant to any wage and hour laws or violation(s) of the Equal Pay Act of 1963, including any amendments thereto : and

Insured: CALIFORNIA FORENSIC PHLEBOTOMY, INC.

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Endorsement Effective Date:4/12/2019



**COSTS OF DEFENSE SUB-LIMIT FOR
WAGE AND HOUR CLAIMS**

Wage and Hour Wrongful Act shall mean any actual or alleged violation(s) of any federal, state or local wage and hour laws, regulations or rules including, without limitation, the Fair Labor Standards Act or the California Labor Code, including any amendments thereto.

3. Section II.K. is amended by the addition of the following:

Wrongful Act shall also mean any **Wage and Hour Wrongful Act**.

4. Section III.G. is deleted in its entirety.

5. Section IV. is amended by the addition of the following:

B. Sub-Limits of Liability

The following Coverage Part B Sub-Limits of Liability (if included, respective amounts are set forth in Item 4. of the Declarations) shall be the **Insurer's** maximum aggregate liability for each coverage and, pursuant to Section III.C. of the General Terms and Conditions, such Sub-Limits shall also be subject to the applicable Limit of Liability set forth in Item 4. of the Declarations:

Costs of Defense for Wage and Hour Claims:

Declarations Amendments

1. Item 4., Coverage Part B, EPL Coverage Schedule is amended by the addition of the following:

Coverage Part B Sub-Limits	Sub-Limit of Liability
Costs of Defense for Wage and Hour Claims	\$ 150,000

2. The Retentions stated in Item 4., Coverage Part B, EPL Coverage Schedule for Employment Practices Coverage shall also apply to any **Wage and Hour Claim**.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.



Management Liability
Solution

**SEPARATE LIMIT OF LIABILITY FOR COSTS OF DEFENSE
INCURRED BY THE INSURER**

It is understood and agreed that Section III. of the General Terms and Conditions is amended by the addition of the following:

If, pursuant to Section VI.A.(1) of the Policy, the **Insurer** assumes the duty to defend any **Claim** and the **Costs of Defense** for such **Claim** are not otherwise subject to a Sub-Limit of Liability, one single additional Limit of Liability applicable only to **Costs of Defense** incurred by the **Insurer** (hereafter referred to as "Separate Defense Costs Limit of Liability") shall be provided for such **Claim(s)** under any included **Liability Coverage Parts**. The amount of the Separate Defense Costs Limit of Liability shall be \$ 1,000,000 and this Limit shall be in addition to, and not part of, the Limit of Liability otherwise applicable to the applicable **Liability Coverage Part** as shown in Item 4. of the Declarations. The Separate Defense Costs Limit of Liability is applicable to all **Liability Coverage Parts** purchased, and payment of the Separate Defense Costs Limit of Liability pursuant to one **Liability Coverage Part** shall reduce the amount of the Separate Defense Costs Limit of Liability available to all other **Liability Coverage Parts**. Payment of **Costs of Defense** by the **Insurer** under any **Liability Coverage Part** shall first reduce the Separate Defense Costs Limit of Liability, and if the Separate Defense Costs Limit of Liability is exhausted, any further payment of **Costs of Defense** by the **Insurer** under such **Liability Coverage Part** shall thereafter reduce and may exhaust the Limit of Liability applicable to that **Liability Coverage Part** as set forth in Item 4. of the Declarations. In no event, shall the **Insurer** be obligated to pay **Costs of Defense** or other **Loss** under any **Liability Coverage Part** after the Limit of Liability applicable to that **Liability Coverage Part** as set forth in Item 4. of the Declarations is exhausted.

In the event such **Costs of Defense** for any **Claim** exhaust the Separate Defense Costs Limit of Liability stated above, then any additional **Costs of Defense** for such **Claim(s)** shall then be subject to the applicable Limit of Liability as shown in Item 4. of the Declarations.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.

Insured: CALIFORNIA FORENSIC PHLEBOTOMY, INC

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Endorsement Effective Date:4/12/2019



**DEFENSE COSTS SUBLIMIT FOR
IMMIGRATION PRACTICES WRONGFUL ACTS**

For purposes of coverage extended by this endorsement only, it is understood and agreed that the following changes are made to the Policy:

1. Section I. of Coverage Part B is deleted and replaced with the following:

Section I. Insuring Agreement

If during the **Policy Period** or **Discovery Period**, any **Claim** is first made against an **Insured** or any person for whom the **Insured** is legally responsible for an **Immigration Practices Wrongful Act**, the **Insurer** shall pay **Costs of Defense** subject to the Sublimit stated below.

The **Insurer** shall assume the duty to defend any **Claim** covered by the terms of this endorsement even if the allegations are groundless, false or fraudulent.

2. Section II. of Coverage Part B is amended by the addition of the following:

Immigration Practices Wrongful Act shall mean any actual or alleged violation of the Immigration Reform and Control Act of 1986 (IRCA), any rule or regulations promulgated under IRCA, or any similar provisions of any federal, state, local or foreign law;

3. Section II.A. of Coverage Part B is deleted and replaced with the following:

Claim shall mean:

- (1) a written demand for monetary or non-monetary relief made against any **Insured**; or
- (2) a civil, criminal, administrative or arbitration proceeding, including any appeals therefrom, seeking monetary or non-monetary relief and commenced by the service of a complaint or similar pleading, the return of an indictment, or the receipt or filing of notice of charges or similar document.

Insured: CALIFORNIA FORENSIC PIILEBOTOMY, INC.

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Countersigned by: _____
Authorized Representative

Endorsement Effective Date: 4/12/2019



**DEFENSE COSTS SUBLIMIT FOR
IMMIGRATION PRACTICES WRONGFUL ACTS**

4. Section III. of Coverage Part B is amended by the addition of the following:

other than **Costs of Defense** subject to the Sublimit stated below, for an **Immigration Practices Wrongful Act**. provided, this exclusion shall not apply to any **Claim** alleging retaliation for the exercise of any rights under such immigration laws:

for actual or alleged non-compliance with Social Security Administration (SSA) Employee Correction Requests (no-match letters) and/or Department of Homeland Security (DHS) Notice of Suspect Documents: and

based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any **Immigration Practices Wrongful Act(s)** known by either the person(s) who signed the Proposal Form(s) for this coverage or any past, present or future director, officer, partner, management committee member, risk manager, human resources manager or general counsel (or the functional equivalent of any of the foregoing) as of the date stated in Item 4. for Coverage Part B of the Declarations.

5. Section III. of the General Terms and Conditions. is amended by the addition of the following:

Sublimit for Claims for Immigration Practices Wrongful Acts

The **Insurer's** Limit of Liability for all **Claims** for **Immigration Practices Wrongful Acts** shall be \$ 100,000. This Sublimit of Liability shall be part of and not in addition to the Limit of Liability stated in. Item 4. for Coverage Part B of the Declarations.

6. Section IV. of the General Terms and Conditions. is amended by the addition of the following:

The Retention applicable to each and every **Claim** for **Immigration Practices Wrongful Acts** shall be \$ 10,000.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.



Management Liability
Solution

**FIRST PARTY COVERAGE
WORKPLACE VIOLENCE ACT SUBLIMIT
FOR COVERAGE PART B**

It is understood and agreed that the Policy is amended as follows:

1. Section IV. of Coverage Part B is amended by the addition of the following:

Workplace Violence Sublimit

In the event a **Workplace Violence Act** occurs during the **Policy Period** and the **Named Entity** notifies the **Insurer** of such **Workplace Violence Act** as soon as practicable and in no event later than ninety (90) days after the end of the **Policy Period**, the **Insurer** shall, subject to prior written consent, reimburse the **Named Entity** or **Subsidiary** for:

- (1) **Business Interruption Expense;**
- (2) **Public Image Restoration Expense;**
- (3) **Security and Well Being Expense;** and
- (4) **Workplace Violence Expense**

subject to the Workplace Violence Sublimit of Liability set forth below. No Retention shall apply. Such coverage shall be subject to and shall be applied against the Limit of Liability for Coverage Part B as set forth in the Declarations.

2. For purposes of the first party coverage extended by this endorsement, the following definitions are added to the Policy:

Wages shall mean the compensation of such **Insured Person(s)** in effect at the time of the **Workplace Violence Act**. **Wages** shall also mean compensation paid to another person to perform the duties of the **Insured Person(s)** for an amount not to exceed the compensation paid to such **Insured Person(s)** in effect at the time of the **Workplace Violence Act**. **Wages** shall not mean any unpaid salary, bonus, severance pay, retirement benefits or accrued vacation or sick days.

Insured: CALIFORNIA FORENSIC PHLEBOTOMY, INC.

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Countersigned by: _____
Authorized Representative

Endorsement Effective Date: 4/12/2019

**FIRST PARTY COVERAGE
WORKPLACE VIOLENCE ACT SUBLIMIT
FOR COVERAGE PART B**

Workplace Violence Act shall mean any actual or alleged intentional and unlawful use of, or threat to use, deadly force with intent to cause harm to others occurring at any building, facility or property occupied by the **Named Entity** or **Subsidiary** in the conduct of its operations. **Workplace Violence Act** shall not include such actual or alleged conduct if it is for purposes of:

- (1) any war, invasion, insurrection, riot, rebellion, revolution, or military action; or
- (2) demanding money, securities or property.

Business Interruption Expense shall mean:

- (1) The sum of:
 - (a) the excess of revenues over expenses, if any, that would have been earned; and
 - (b) the reasonable costs and expenses which would not have been incurred except for any **Workplace Violence Act** and which were incurred by the **Named Entity** or any **Subsidiary**:
 - (i) to continue the activities which are necessary for the **Named Entity** or any **Subsidiary** to resume operations with substantially the same quality of service which existed immediately preceding the **Workplace Violence Act**; and
 - (ii) for the sole purpose of reducing any **Business Interruption Expense**, not to exceed the amount of actual reduction of such **Business Interruption Expense**;
- (2) Less the sum of:
 - (a) all recoveries, other insurance, suretyship and other indemnity which cover **Business Interruption Expense**; and
 - (b) the amount by which the **Named Entity** or any **Subsidiary** reasonably could have but fails to reduce **Business Interruption Expense**.

Business Interruption Expense is limited to the period of time commencing on the day of the **Workplace Violence Act** and ending on the earlier of ninety (90) days following such date, or until the **Named Entity** or any **Subsidiary** restores operations with due diligence and dispatch to the level that existed prior to the **Workplace Violence Act**.



**FIRST PARTY COVERAGE
WORKPLACE VIOLENCE ACT SUBLIMIT
FOR COVERAGE PART B**

Public Image Restoration Expense shall mean reasonable fees, costs and expenses for an independent public relations consultant for up to ninety (90) days following the date of the **Workplace Violence Act**.

Security and Well Being Expense shall mean reasonable fees, costs and expenses for:

- (1) an independent security consultant for up to ninety (90) days following the date of the **Workplace Violence Act**;
- (2) an independent security guard service for up to thirty (30) days following the date of the **Workplace Violence Act**;
- (3) a counseling seminar for **Insured Persons** conducted by an independent consultant within ninety (90) days following the **Workplace Violence Act**; and
- (4) an independent forensic analyst for up to ninety (90) days following the date the **Workplace Violence Act** occurs.

Workplace Violence Expense shall mean the reasonable **Wages** the **Named Entity** or any **Subsidiary** pays:

- (1) **Insured Person(s)** victimized by a **Workplace Violence Act** and who are unable to work because of such **Workplace Violence Act**;
- (2) newly hired or retained person(s) to perform the duties of such **Insured Person(s)** victimized by a **Workplace Violence Act** and who are unable to work because of such **Workplace Violence Act**;

for up to ninety (90) days following the date of the **Workplace Violence Act**.

3. Coverage Part B of the Declarations is amended by the addition of:

\$ 250,000 Workplace Violence Sub-Limit of Liability. This Sub-Limit of Liability shall be part of, and not in addition to, the Limit of Liability provided for Coverage Part B.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.



TERRORISM COVERAGE ENDORSEMENT CAP ON LOSS FROM CERTIFIED ACTS

Subject to all terms and conditions of this Policy, including any follow-form provisions, this Policy is amended by the addition of the following:

CERTIFIED ACTS OF TERRORISM COVERAGE

"Certified Act of Terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of Homeland Security and the Attorney General of the United States, to be an act pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "Certified Act of Terrorism" include the following:

1. the act resulted in insured losses in excess of \$5 million in the aggregate attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

If the aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year in the aggregate and the Insurer has met its deductible under the Terrorism Risk Insurance Act, the Insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rate allocation in accordance with procedures established by the Secretary of the Treasury.

It is understood and agreed that the Premium section of the Declarations is amended by the addition of the following:

Terrorism Premium: \$ 0.00

The Policyholder Disclosure Offer of Terrorism Coverage is attached to and is to be considered as incorporated in and constituting a part of this Policy.

This coverage shall not apply to any commercial crime or errors & omissions coverages that may be included in this policy.

This endorsement does not extend any additional coverage or otherwise change the terms and conditions of any coverage under this Policy.

Insured: CALIFORNIA FORENSIC PHLEBOTOMY, INC.

Policy Period: 4/12/2019 to Policy Expiration

Policy Number: DPLE319763

Countersigned by: _____
Authorized Representative

Endorsement Effective Date: 4/12/2019

StarNet Insurance Company
 9301 Innovation Drive
 Suite 200
 Manassas, VA 20110

**Workers Compensation and Employers
 Liability Insurance Policy**

Policy Number	Policy Period	
	From	To
BNUWC0147453	04/12/2019	04/12/2020
(12:01 AM at the insured location)		

Information Page		Renewal/Rewrite of Policy Number	
NJ TIN:		BNUWC0138098	
1. Named Insured and Address		Agency Information	
California Forensic Phlebotomy 5753 E. Santa Ana Cyn rd. Ste G-533 Anaheim Hills, CA 92807		407002 R-T Workers' Comp Specialty 500 S. Grand Avenue Suite 2100 Los Angeles, CA 90071	
Carrier No.	FEIN	Risk ID	Entity Type
37834	330172894		Corporation

Additional Workplaces not shown above:
 Refer to Schedule of Locations Endorsement WC 99 06 02 (01-06)

2. The Policy Period is from 04/12/2019 to 04/12/2020 12:01am Standard Time at the insured's mailing address.

3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: CA

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3.A. The limits of our liability under part Two are:

Bodily Injury by Accident	\$1,000,000.00	each accident
Bodily Injury by Disease	\$1,000,000.00	policy limit
Bodily Injury by Disease	\$1,000,000.00	each employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: All states and U.S. territories except Alaska, Hawaii, Maine, New York, North Dakota, Ohio, Washington, Wyoming, Puerto Rico, and the U.S. Virgin Islands, and states designated in Item 3.A. of the Information Page.

D. This policy includes these endorsements and schedules: SEE ATTACHED SCHEDULE

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All Information required below is subject to verification and change by audit.

SEE ATTACHED CLASSIFICATIONS OF OPERATIONS

Minimum Premium	\$800.00	Total Estimated Annual Premium	\$7,102.00
		Premium Discount	
		Expense Constant	\$280.00
		Deposit Premium	\$1,457.00

Premium Payment Plan: Direct Bill Agency Bill
 Premium Adjustment Period: Annual Semi Annual Quarterly Monthly

Issue Date: 04/19/2019
 Issuing Office: BerkleyNet

 Authorized Representative

StarNet Insurance Company

9301 Innovation Drive Suite 200
 Manassas, VA 20110
 877-497-2637

**Workers Compensation and Employers
 Liability Insurance Policy**

Policy Number:	BNUWC0147453
Named Insured:	California Forensic Phlebotomy
Agency Name:	R-T Workers' Comp Specialty

Extension of Information Page - Item 4

State	Class Code No.	Class Description	Exposure	Rate Per \$100 of Remuneration	Estimated Annual Premium
Period - 04/12/2019 to 04/12/2020					
CA	8834	Physicians Practices/Outpatient Clinics	340,000.00	1.88	\$6,392.00
	0930	Waiver of Subrogation Premium		0.02	\$500.00
	9887	Schedule Rating Premium		0.98	\$138.00CR
	0900	Expense Constant			\$280.00
	9740	Catastrophe Provisions for Terrorism - Not Part of Standard		0.02	\$68.00
	9681	California Fraud Surcharge Assessment		0.0029	\$19.00
	9682	California Workers Compensation Administration Revolving		0.0145	\$95.00
	9700	California Uninsured Employers Benefit Trust Assessment		0.0008	\$5.00
	9701	California Subsequent Injuries Benefits Trust Assessment		0.0027	\$18.00
	9683	California Labor Enforcement and Compliance Fund Asses		0.0034	\$22.00
	9684	California Occupational Safety and Health Fund Assesme		0.0038	\$25.00
		Policy Minimum Premium			\$800.00
Total Amount Due:					\$7,286.00

Issue Date: 04/19/2019
 Issuing Office: BerkleyNet

StarNet Insurance Company
 9301 Innovation Drive
 Suite 200
 Manassas, VA 20110
 877.497.2637

Workers Compensation and Employers Liability Insurance Policy

Policy Number:	BNUWC0147453
Named Insured:	California Forensic Phlebotomy
Agency Name:	R-T Workers' Comp Specialty

Extension of Information Page - Item 3D

State	Form Number	Suffix	Form Title
	WC 89 06 34		Installment Schedule
CA	PN 04 99 02	B	Policyholder Notice California Workers - Compensation Insurance Rating Laws
CA	PN 04 99 03		Notice Required By Law-California
CA	WC 04 04 22		California Short-Rate Cancelation Endorsement
CA	WC 04 04 21		Optional Premium Increase Endorsement California
CA	PN 04 99 06	B	Policyholder Notice
CA	PN 04 99 01	F	Policyholder Notice - Your Right To Rating And Dividend Information
CA	PN 04 99 04	A	Policyholder Notice California Insurance Guarantee Association (CIGA) Surcharge
	WC 99 06 00		Extension of Information Page Classification of Operations
	WC 00 00 00	C	Workers Compensation & Employers Liability Insurance Policy
	WC 99 06 01		Schedule of Endorsements
	WC 99 06 02		Schedule of Locations
	Policy Jacket		Policy Jacket
	WC 99 06 04		Schedule of Named Insureds
	WC 00 00 01	A	Policy Information Page
	WC 00 04 19		Premium Due Date Endorsement
	WC 99 06 03		Signature Page
	WC 00 04 14		Notification Of Change In Ownership Endorsement
	Terrorism Exhibit D		Terrorism Disclosure Exhibit
	Privacy Notice		Privacy Notice
	WC 99 00 14		Welcome Kit Page
	WC 00 04 22	B	Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement

Issue Date: 04/19/2019
 Issuing Office: BerkleyNet

**Workers Compensation and Employers
Liability Insurance Policy**

Policy Number:	BNUWC0147453
Named Insured:	California Forensic Phlebotomy
Agency Name:	R-T Workers' Comp Specialty

CA	WC 04 03 10		Duty To Defend California
CA	WC 04 06 01	A	California Cancellation Endorsement (Includes Statutorily Mandated Language)
	WC 04 03 03	B	OFFICERS AND DIRECTORS COVERAGE / EXCLUSION ENDORSEMENT - CALIFORNIA
CA	WC 04 03 06		Waiver of Our Right to Recover from Others Endorsement - CA (Blanket)
CA	CA SB 189		CA Officer Exclusion Form
	WC 00 04 14	A	Notification Of Change In Ownership Endorsement

Issue Date: 04/19/2019
Issuing Office: BerkleyNet

StarNet Insurance Company

9301 Innovation Drive Suite 200
Manassas, VA 20110
877-497-2637

**Workers Compensation and Employers
Liability Insurance Policy**

Policy Number:	BNUWC0147453
Named Insured:	California Forensic Phlebotomy
Agency Name:	R-T Workers' Comp Specialty

Schedule of Locations

Location No.	State	Effective Date	Location Name and Address
1	CA	04/12/2019	California Forensic Phlebotomy 2030 East 4th St Suite D116, Santa Ana CA 92705

Issue Date: 04/19/2019
Issuing Office: BerkleyNet

StarNet Insurance Company
9301 Innovation Drive
Suite 200
Manassas, VA 20110
877.497.2637

**Workers Compensation and Employers
Liability Insurance Policy**

Policy Number:	BNUWC0147453
Named Insured:	California Forensic Phlebotomy
Agency Name:	R-T Workers' Comp Specialty

Schedule of Named Insureds

Insured Name	Risk Location Effective Date	Risk Location Expiration Date
California Forensic Phlebotomy	04-12-2019	04-12-2020

Issue Date: 04/19/2019
Issuing Office: BerkleyNet

POLICY NUMBER: BNUWC0147453

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 06

(Ed. 04-84)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT CALIFORNIA (Blanket)

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 0.020000 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

State	Description
CA	Any party with whom the insured agrees to waive subrogation in a written contract.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Date:

Policy Number: BNUWC0147453

Endorsement No.:

Insured Name: California Forensic Phlebotomy

Insurance Company:

StarNet Insurance Company

Countersigned By



StarNet Insurance Company

POLICY NUMBER: BNUWC0147453
Workers Compensation and Employers
Liability Insurance Policy

Signature Form of Authorized Representatives of Insurer

In **Witness Thereof**, the company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by duly authorized representative of the company.



President



Secretary

Issue Date: 04/19/2019
Issuing Office: BerkleyNet



StarNet Insurance Company
 Carolina Casualty Insurance Company
 Midwest Employers Casualty Company

a Berkley Company

POLICY INSTALLMENT PLAN SCHEDULE

Coverage Provided By: StarNet

Insured Name:
 California Forensic Phlebotomy
 5753 E. Santa Ana Cyn rd. Ste G-533
 Anaheim Hills, CA 92807

Agent: 407002
 R-T Workers' Comp Specialty
 500 S. Grand Avenue
 Suite 2100
 Los Angeles, CA 90071

Type of Coverage: Workers Compensation
 Policy Number: BNUWC0147453
 Coverage Period: 04/12/2019 to 04/12/2020

You have elected to pay the total estimated annual premium using an installment plan.

There is a payment plan processing fee of up to \$15.00 for each installment. You may pay the entire balance at any time to avoid future installment charges.

The installment plan schedule presented below is an estimate. An invoice will be sent to you prior to each installment period. The payment schedule will change if there are changes to the total estimated premium due to mid-term policy activity.

If payment is received after the due date, a late fee of up to \$25 may be assessed to your account. In addition, your statutory workers compensation coverage will be subject to cancellation terms. Please note the indicated due date and ensure your policy invoice is paid promptly.

BerkleyNet accepts payments via our website (www.berkley.net) or via postal mail.

DUE DATE	DESCRIPTION	PREMIUM DUE	+ PROCESSING FEE	= TOTAL AMOUNT DUE	DATE INVOICE SENT
04/12/2019	Deposit Premium	\$1,457.00		\$1,457.00	04/19/2019
05/12/2019	Installment	\$647.00	\$5.00	\$652.00	
06/12/2019	Installment	\$647.00	\$5.00	\$652.00	
07/12/2019	Installment	\$647.00	\$5.00	\$652.00	
08/12/2019	Installment	\$647.00	\$5.00	\$652.00	
09/12/2019	Installment	\$647.00	\$5.00	\$652.00	
10/12/2019	Installment	\$647.00	\$5.00	\$652.00	
11/12/2019	Installment	\$647.00	\$5.00	\$652.00	
12/12/2019	Installment	\$647.00	\$5.00	\$652.00	
01/12/2020	Installment	\$653.00	\$5.00	\$658.00	
Total estimated amount:		\$7,286.00	\$45.00	\$7,331.00	

Make all checks payable to BerkleyNet
 Include a policy number on all checks and be sure to include the remittance slip with your payment

Remit payments to:

BerkleyNet
 P.O. Box 535080
 Atlanta, GA 30353

EXHIBIT C

CITY COUNCIL POLICY 100-5

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

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:

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	2 of 3

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;

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

- 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.