County of Monterey

Board of Supervisors Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Agenda - Final

Friday, August 15, 2025

12:00 PM

50+ page Advance Reports for the Board of Supervisors meeting on Tuesday, August 26, 2025.

Advance Reports Over 50 Pages

The following reports are scheduled for the Board of Supervisors meeting on Tuesday, August 26, 2025. The reports are being distributed 11 + days prior to the Board of Supervisors meeting due to the large volume of information. These reports are not numbered at this time.

Natividad Medical Center - Consent

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech, M.D. to provide family medicine services, extending the term by twelve months (September 20, 2025 to September 30, 2026) for a revised full agreement term of September 20, 2022 to September 30, 2026, but with no change to the board approved amount not to exceed of $600,000; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($60,000) of the original contract amount, and do not increase the total contract amount above $660,000.

Attachments:
Board Report
Adelheid Ebenhoech Third Amendment
Adelheid Ebenhoech MD Second Amendment 091925
Adelheid Ebenhoech MD First Amendment
Adelheid Ebenhoech MD Agreement

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by twenty-four months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount, and do not increase the total contract amount above $1,680,000.

Attachments:
Board Report
Monterey Bay GI First Amendment
Monterey Bay GI Consultants Medical Group Agreement 093025

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

Attachments: Board Report
Access TeleCare PC Amendment No. 4
Access TeleCare California, P.C._Amendment No. 3
Access TeleCare California, P.C._Amendment No. 2
Access TeleCare California, P.C._Amendment No. 1
CA Tele-Physicians PC Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

Attachments: Board Report
Pomphrey Consulting LLC Renewal and Amendment 1
Pomphrey Consulting LLC Agreement

Public Works and Facilities - Consent

a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.
California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on March 19, 2025, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities. The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

Attachments: Board Report
Attachment A – Contract, Bonds and Insurance
Attachment B - Project Budget Project 1175
Attachment C - Bid Summary
Attachment D - Location Map

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and

b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

Attachments: Board Report
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP # 10951
Attachment E - Addendums No. 1 & 2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Introduced: 7/24/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

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b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($60,000) of the original contract amount, and do not increase the total contract amount above $660,000.

RECOMMENDATION:

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech, M.D. to provide family medicine services, extending the term by twelve months (September 20, 2025 to September 30, 2026) for a revised full agreement term of September 20, 2022 to September 30, 2026, but with no change to the board approved amount not to exceed of $600,000; and
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SUMMARY/DISCUSSION:

NMC operates the Prunedale Clinic providing care and treatment to patients in North Monterey County. NMC has an agreement with Dr. Adelheid Ebenhoech to provide family medicine services in the clinic two to three days a week. NMC wishes to amend the agreement with Dr. Ebenhoech to extend the term an additional twelve (12) months so that Dr. Ebenhoech can continue to provide the same services without interruption. Natividad has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The total not to exceed amount of this Agreement is $600,000 for the period September 20, 2022 to September 30, 2026. $146,861 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

Introduced: 7/24/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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SUMMARY/DISCUSSION:

NMC operates the Prunedale Clinic providing care and treatment to patients in North Monterey County. NMC has an agreement with Dr. Adelheid Ebenhoech to provide family medicine services in the clinic two to three days a week. NMC wishes to amend the agreement with Dr. Ebenhoech to extend the term an additional twelve (12) months so that Dr. Ebenhoech can continue to provide the same services without interruption. Natividad has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form.
Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The total not to exceed amount of this Agreement is $600,000 for the period September 20, 2022 to September 30, 2026. $146,861 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

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THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), is made and entered into as of September 20, 2025 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, and as amended effective September 20, 2023 and September 20, 2024 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend by 12 months and modify the Code of Conduct at Exhibit 1.11.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1.** Section 5.1 to the Agreement is hereby amended restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 30, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Exhibit 1.11**. Exhibit 1.11 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 1.11**.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

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6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
A Ebenhoech
2DFEA8FB7DC941A...

Date: 7/23/2025 | 10:58 AM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

Date: 7/25/2025 | 9:57 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E6578754544E...

Date: 7/28/2025 | 9:16 AM PDT

Deputy Auditor/Controller

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Exhibit 1.11

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.
6. Commit and contribute to the overall educational mission of Natividad and

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promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post- discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

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Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

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b. Harassing conduct includes, but is not limited to:

1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

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Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved:** **MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name Adelheid Ebenhoech

Signature: DocuSigned by: 2DFEA8FB7DC941A... Date: 7/23/2025 | 10:58 AM PDT

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SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) is entered into on the date executed by all Parties, with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, as amended September 20, 2023 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to add Advanced Practice Practitioner Supervision Services and compensation for such services, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 1.1**. Section 1.1 to the Agreement is hereby amended and restated in its entirety, as set forth below:

> **"1.1 Services.**
>
> **(a) Professional Services.** Contractor shall provide the professional services described in **Exhibit 1.1(a)** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.
>
> **(b) Supervisions Services.** Contractor shall provide supervision of any clinician employed or contracted by Hospital providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or APP Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.**"**

3. **Section 1.3**. Section 1.3 to the Agreement is hereby amended and restated in its entirety, as set forth below:

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> **"1.3 Additional Services.** Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Supervision Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

4. **Exhibit 1.1**. Exhibit 1.1 to the Agreement is hereby renumbered and incorporated by reference as **Exhibit 1.1(a)**.

5. **Exhibit 2.1**. Exhibit 2.1 to the Agreement is hereby deleted and replaced in its entirety and attached hereto as **Exhibit 2.1**.

6. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

8. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 70178DEF-765C-4F4F-B2DD-A71D8E43CAF0

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 7/15/2024 | 11:50 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
4E1F837D204E481...
Deputy Purchasing Agent

Date: 7/19/2024 | 12:17 PM PDT

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 7/16/2024 | 4:26 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/17/2024 | 7:36 AM PDT

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Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(a) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(b) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(c) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Supervision Services.** Hospital shall pay Contractor One Thousand Dollars ($1,000) per month for Supervision Services of Advanced Practice Practitioners in accordance with all applicable Laws and all applicable bylaws, rules and regulations of the Hospital's medical staff (the "**Medical Staff**")

3. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15877 ; Amendment No.: 5
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech M.D. to provide family medicine services extending the term by twenty-four months (September 21, 2023 to September 19, 2025) for a revised full agreement term of September 20, 2022 to September 19, 2025, and adding $300,000 for a revised total not to exceed amount of $600,000 in the aggregate; and
b. Authorize the Chief Executive Officer for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than 10% ($30,000) of the original contract amount and do not increase the total contract amount above $630,000.

PASSED AND ADOPTED on this 19th day of September 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting September 19, 2023.

Dated: September 21, 2023
File ID: A 23-445
Agenda Item No.: 23

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of September 20, 2023, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022 (the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to restate the term of the Agreement and add Three Hundred Thousand Dollars ($300,000) to the aggregate amount payable to Contractor.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Six Hundred Thousand Dollars ($600,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 19, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

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5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 9/2/2023 | 12:06 PM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris
4E1F837D204E481...

Date: 9/19/2023 | 3:02 PM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

Date: 9/5/2023 | 9:11 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Date: 9/5/2023 | 1:54 PM PDT

Deputy Auditor/Controller

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor John M. Phillips to:

Agreement No.: A-15875 Asset Purchase Agreement with Family Care Medical Group, Inc.
Agreement No.: A-15876 Medical Office Lease Agreement
Agreement No.: A-15877 Professional Services Agreement with Adelheid Ebenhoech, M.D.
Agreement No.: A-15878 Assignment and Assumption Agreement
Agreement No.: A-15879 Athenahealth Master Services Agreement

a. Approve and authorize the Chief Executive Officer ("CEO") for Natividad Medical Center ("NMC") or his designee to execute an Asset Purchase Agreement with Family Care Medical Group, Inc. ("Family Care"), to purchase the assets of the Family Care medical practice located at 17615 Moro Road, Salinas, California, 93907 for a purchase price of $300,000;
b. Approve and authorize the CEO for NMC or his designee to execute a Medical Office Lease with Drs. Steven and Catherine Petronijevic, on substantially the same terms as presented, for 5,381 square feet of medical office space for the operation by County of Monterey of a family medical practice within a medical office building owned by the Petronijevics and located at 17615 Moro Road, Salinas, California, 93907, for the period September 20, 2022 through September 19, 2027 at the monthly rate of: (a) for years one through three of the lease, $23.00 per square foot for a total of $10,313.58 per month; and (b) for years four through five of the lease, $23.69 per square foot for a total of $10,622.99 per month;
c. Authorize the CEO for NMC or his designee to execute the one-year Professional Services Agreement with Family Care ("Group-PSA"), to provide family medicine services at the family medical practice, which shall become effective on the date the agreement is signed by all parties with services commencing on a go-live date of September 20, 2022 for an amount not to exceed $500,000;
d. Authorize the CEO for NMC or his designee to execute the one-year Professional Services Agreement with Adelheid Ebenhoech, M.D. ("Individual-PSA") to provide family medicine services at the County's family medical practice, which shall become effective on the date the agreement is signed by all parties with services commencing on a go-live date of September 20, 2022 for an amount not to exceed $300,000;
e. Authorize the CEO for NMC to execute up to two future amendments to each of the Group-PSA and the Individual-PSA, provided that the amendments do not significantly change the scope of work, and, as to each PSA, the amendments in total do not exceed ten percent (10%);
f. Authorize the CEO for NMC to execute an Assignment and Assumption Agreement, on substantially the same terms as presented, pursuant to which all rights, title, and interest in an athenahealth Master Services Agreement dated November 26, 2014 and related data from tablespace 10227 contained in the athenaNet System shall be transferred from Family Care to the County of Monterey, with an Assignment

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Effective Date of September 20, 2022; and
g. Authorize a total contract liability of $300,000 for the period September 20, 2022 through November 25, 2024 for the athenahealth Master Services Agreement, which by its terms is automatically renewable by additional consecutive one-year terms and terminable based on 90 days' notice.

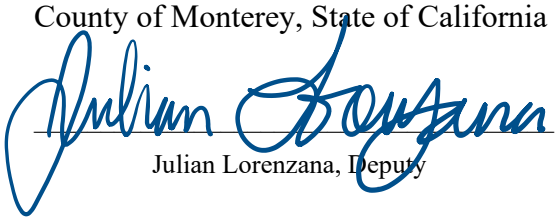
PASSED AND ADOPTED on this 21st day of June 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 21, 2022.

Dated: June 24, 2022
File ID: A 22-350
Agenda Item No.: 37.1

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California



Julian Lorenzana, Deputy

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PROFESSIONAL SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

ADELHEID EBENHOECH, M.D. ("Contractor")

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PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (this **"Agreement"**) is entered into as of September 20, 2022 (the **"Effective Date"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D., an individual (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics, including a primary care clinic located at 17615 Moro Road, Salinas, California 93907 (the "**Clinic**").

B. Contractor is duly licensed to practice medicine in the State of California (the **"State"**). Contractor is board certified or board eligible for the practice of medicine in the specialty of family medicine (the **"Specialty"**).

C. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the Clinic (collectively, the **"Clinic Patients"**), without regard to any consideration other than medical condition.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Professional Services. Contractor shall provide the professional services described in **Exhibit 1.1** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.

1.2 Teaching Services. Contractor shall provide to Hospital those teaching services set forth in **Exhibit 1.2** (collectively, the **"Teaching Services"**).

1.3 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

1.4 Time Commitment. Contractor shall allocate time among the Professional Services, Teaching Services and Additional Services as reasonably requested by Hospital from time to time.

1.5 Availability. On or before the first (1st) day of each month, Contractor shall inform Hospital of Contractor's of availability to perform the Services during the following

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month. Contractor shall use his or her best efforts to adjust such schedule of availability if reasonably requested by Hospital in order to meet Hospital's needs for the Services.

1.6 Records and Reports. Contractor shall keep complete, accurate and detailed records of the services provided pursuant to this Agreement and provide the same to Hospital upon request.

1.7 Medical Staff. Contractor shall be a member in good standing and active on the Hospital's Medical Staff and have and maintain all clinical privileges at Hospital necessary for the performance of Contractor's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), Contractor is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Contractor's obligations hereunder, Contractor shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that Hospital may immediately terminate this Agreement if Hospital determines that Contractor is not diligently pursuing such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws. Contractor may obtain and maintain medical staff privileges at any other hospital or health care facility at Contractor's sole expense.

1.8 Professional Qualifications. Contractor shall have and maintain an unrestricted license to practice medicine in the State. Contractor shall be board certified or board eligible in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Contractor shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration.

1.9 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor a shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.10 Performance Standards. Contractor shall comply with all bylaws, Medical Staff policies, rules and regulations of Hospital and the Medical Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

1.11 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.11** (the **"Code"**), and agrees that Contractor has been given ample opportunity to read, review and understand the Code. With respect to Contractor's business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

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1.12 Continuing Medical Education. Contractor shall participate in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

1.13 Use of Space. Contractor shall use Hospital leased or owned space solely and exclusively for the provision of the Services, except in an emergency or with Hospital's prior written consent.

1.14 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) Contractor's medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) Contractor becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) Contractor is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;

(e) Contractor becomes the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior;

(f) Contractor voluntarily or involuntarily retires from the practice of medicine;

(g) Contractor's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(h) Contractor is charged with or convicted of a criminal offense;

(i) any act of nature or any other event occurs which has a material adverse effect on Contractor's ability to provide the Services; or

(j) Contractor is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.15 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) Contractor's license to practice medicine in any state has never been

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suspended, revoked or restricted; (b) Contractor has never been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) Contractor has never been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) Contractor has never been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) Contractor's medical staff membership or clinical privileges at any hospital or health care facility have never been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) Contractor has never been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

1.16 Nondiscrimination. Contractor shall not differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.17 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Clinic and the administrative services hereunder.

1.18 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

1.19 Medical Records and Claims.

(a) Contractor shall prepare complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the

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expiration or termination of this Agreement. This Section 1.21(b) shall survive the expiration or termination of this Agreement.

1.20 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Three Hundred Thousand Dollars ($300,000).

2.2 Billing and Collection. Hospital shall have the sole and exclusive right to bill and collect for any and all Professional Services rendered to Clinic Patients by Contractor under this Agreement (the **"Clinic Services"**). Hospital shall have the sole and exclusive right, title and interest in and to accounts receivable with respect to such Clinic Services.

(a) **Assignment of Claims.** Contractor hereby assigns (or reassigns, as the case may be) to Hospital all claims, demands and rights of Contractor for any and all Clinic Services rendered by Contractor pursuant to this Agreement. Contractor shall take such action and execute such documents (e.g., CMS Forms 855R and 855I), as may be reasonably necessary or appropriate to effectuate the assignment (or reassignment, as the case may be) to Hospital of all claims, demands and rights of Contractor for any and all Clinic Services rendered by Contractor pursuant to this Agreement.

(b) **Cooperation with Billing and Collections.** Contractor shall cooperate with Hospital in the billing and collection of fees with respect to Clinic Services rendered by Contractor. Without limiting the generality of the foregoing, Contractor shall cooperate with Hospital in completing such claim forms with respect to Clinic Services rendered by Contractor pursuant to this Agreement as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

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(c) **Hospital as Exclusive Source for Compensation for Clinic Services.** Contractor shall seek and obtain compensation for the performance of Clinic Services only from Hospital. Contractor shall not, bill, assess or charge any fee, assessment or charge of any type against any Hospital patient or any other person or entity for Clinic Services rendered by Contractor pursuant to this Agreement. Contractor shall promptly deliver to Hospital any and all compensation, in whatever form, that is received by Contractor for Clinic Services rendered by Contractor pursuant to this Agreement, including any amount received from any Managed Care Organization (as defined below) for Clinic Services rendered by Contractor pursuant to this Agreement.

(d) **Joint and Several Liability.** Hospital and Contractor acknowledge that they will be jointly and severally liable for any Federal Health Care Program overpayments relating to claims with respect to Clinic Services furnished by Contractor pursuant to this Agreement. The foregoing is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the Parties' respective indemnification obligations under this Agreement.

(e) **Indemnification for Billing Information.** Contractor hereby agrees to indemnify County, Hospital, its officers, supervisors, trustees, employees and agents, from and against any and all liability, cost, loss, penalty or expense (including, without limitation, attorneys' fees and court costs) incurred by Hospital resulting from negligent acts or negligent omissions of Contractor which result in inaccurate and/or improper billing information furnished by Contractor and relied on by Hospital regarding Clinic Services rendered by Contractor to Clinic Patients, to the extent such liability, cost, loss, penalty or expense exceeds the amount of payment or reimbursement actually received by Hospital for such services.

2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital or the Clinic to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital and Clinic, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

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(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest

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statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance.

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The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's

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performance" includes Contractor's acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor shall be construed to make or render Contractor the agent, employee or servant of County. Contractor agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Clinic, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor. Contractor shall not hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement

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effective immediately upon written notice. In the event of such termination, the Parties remain free to negotiate an employer/employee contract.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's professional medical judgment or the methods by which Contractor performs professional medical services; provided, however, that Contractor shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor best qualified to deliver medical services to any particular patient; provided, however, that Contractor shall not refer any Hospital patient to any provider of health care services which Contractor knows or should have known is excluded or suspended from participation in, or sanctioned by, any state or Federal Health Care Program. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days' notice to the other Party. Contractor's rights under this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor or any person employed or retained by Contractor.

4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

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4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Clinic. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

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4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on the Effective Date and shall continue for twelve consecutive months (the **"Expiration Date"**), subject to the termination provisions of this Agreement. The term of this Agreement may be extended for two (2) additional one (1) year periods by mutual written agreement of the Parties.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) death or permanent disability of Contractor;

(c) Contractor's voluntary retirement from the practice of medicine;

(d) neglect of professional duty by Contractor in a manner that violates Hospital's policies, rules or regulations;

(e) Contractor is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

(f) Contractor's clinical privileges or medical staff membership at any hospital are denied, suspended, terminated, restricted, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(g) Contractor's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

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(h) Contractor for any reason is not a member in good standing in the "active staff" category of the Medical Staff or does not hold all clinical privileges at Hospital necessary for Contractor's performance of the Services or Contractor is the subject of one or more investigations, proceedings or peer review or other disciplinary actions by the Medical Staff;

(i) Contractor is charged with or convicted of a criminal offense;

(j) Contractor's performance of this Agreement, in the sole determination of Hospital, jeopardizes the mental or physical health or well-being of patients of Hospital;

(k) Contractor is debarred, suspended, excluded or otherwise ineligible to participate in any state or Federal Health Care Program or state equivalent;

(l) Contractor acts, or causes another person to act, in a manner which conflicts with or violates the Code;

(m) breach by Contractor of any HIPAA Obligation (as defined in **Exhibit 6.3**);

(n) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay his or her debts as they mature, applies to any court for the appointment of a trustee or receiver over his or her assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(o) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(p) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(q) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

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- If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

- For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

  (i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

  (ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

  (iii) prevent Contractor from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

  (iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor referred patients to Hospital or any Affiliate of Hospital;

  (v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor;

  (vi) subject Hospital or Contractor, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

  (vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(b) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective sixty (60) calendar days after written notice of termination is given to the other Party.

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5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) All rights and obligations of the Parties shall cease except: (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement; (ii) those rights and obligations which expressly survive termination or expiration of this Agreement; and (iii) Contractor's obligation to continue to provide services to Hospital patients under Contractor's care at the time of expiration or termination of this Agreement, until the patient's course of treatment is completed or the patient is transferred to the care of another physician.

(b) Contractor shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interfere in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital.

(c) Contractor shall not have any right to a "fair hearing" or any other similar rights or procedures under the Medical Staff bylaws or otherwise.

(d) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

(e) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's possession or under Contractor's control.

5.8 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

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ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor, the provision of the Services, or the obligations of Contractor under this Agreement, including without limitation laws that require Contractor to disclose any economic interest or relationship with Hospital. Contractor shall take actions necessary to ensure that the Hospital and/or Clinic are operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor, or to which Contractor may gain access in the performance of the Services under this Agreement, or which Contractor knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

(c) Contractor shall return to Hospital all Confidential Information and all copies thereof in Contractor's possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or

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expiration of this Agreement. Neither Contractor shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(b) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

(c) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding

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arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

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(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(d) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(e) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(f) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall not accept consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall not accept similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which Contractor served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's duties under this Agreement.

6.19 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

6.20 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER

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1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Dr. Craig Walls, Chief Medical Officer

If to Contractor, addressed to:

ADELHEID EBENHOECH, M.D.
Address: 37 Frisch Road
City/State/Zip: Prunedale, CA 93907
Attn: Dr. Adelheid Ebenhoech
Phone: (831) 809-8468
Fax: (831) 222-1003

6.21 Participation in Federal Health Care Programs. Contractor hereby represents that he or she is not debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.22 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.23 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.24 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.25 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

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The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 6/16/2022 | 7:16 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
4E1F837D204E481...

Date: 7/13/2022 | 11:21 AM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
C0ECE1B99F444A9...

Date: 7/5/2022 | 4:28 PM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
4E7E657875454AE...

Date: 7/7/2022 | 11:33 AM PDT

Deputy Auditor/Controller

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Exhibit 1.1

PROFESSIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. Treat all patients in accordance within the accepted standard of medical care.

2. Initiate communication with patients' other treating providers whenever indicated.

3. Consult with other professionals when doing so is in the best interest of the patients.

4. Promptly complete all medical records.

5. Maintain patient confidentiality.

6. Respond to all reasonable requests for emergency assistance from existing patients.

7. Secure the patient's informed consent for medical care, when appropriate.

8. Be familiar and stay in compliance with all federal and state statutes, as well as all applicable government healthcare program and third-party payor rules and regulations.

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Exhibit 1.2

TEACHING SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. supervise patient care in a constructive and supportive way;

2. demonstrate effective interviewing, physical examination, procedures, use of diagnostic and therapeutic interventions, and medical records documentation;

3. create a professional role model; and

4. evaluate resident performance in a meaningful, objective fashion.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. provide teaching, educational or training services, as reasonably requested by Hospital;

2. participate in utilization review programs, as reasonably requested by Hospital;

3. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

4. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

5. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

6. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

7. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Clinic conducted by governmental agencies or accrediting organizations,;

8. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

9. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters and cooperate with Hospital's efforts to bill and collect fees for services rendered to Hospital's patients. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

10. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.11

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Allied Health Professional (AHP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one's practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(g) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(h) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(i) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective _____ ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Adelheid Ebenhoech, M.D. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

ADELHEID EBENHOECH, M.D.
Address: _____
City/State/Zip: _____
Attn: _____
Phone: _____
Fax: _____

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Compliance Officer
Phone: 831.755.4111

Fax: 831.755.6297

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

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5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

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IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

ADELHEID EBENHOECH, M.D.

By: DocuSigned by: 2DFEA8FB7DC941A...

Print Name: Dr. Adelheid Ebenhoech

Print Title: Medical Doctor

Date: 6/16/2022 | 7:16 AM PDT

COUNTY OF MONTEREY, ON BEHALF OF *NATIVIDAD MEDICAL CENTER*

By: DocuSigned by: Charles Harris 4E1F837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 7/13/2022 | 11:21 AM PDT

Introduced: 7/25/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by twenty-four months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount, and do not increase the total contract amount above $1,680,000.

RECOMMENDATION:

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by twenty-four months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
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SUMMARY/DISCUSSION:

NMC must arrange for care and treatment of patients who present to the emergency department and hospitalized patients in the need of medical care in the specialty of gastroenterology. Natividad would like amend this Agreement with Monterey Bay GI Consultants so that its board-certified gastroenterologists can continue to provide gastroenterology call coverage in the emergency department along with other panel members to ensure sufficient coverage of the service twenty-four hours per day, seven days a week including holidays.

The group is paid a daily rate for call coverage services according to the terms of the Agreement. The amount of services provided may increase due to availability and need for coverage, but the rate of pay will remain the same for the term of the agreement. NMC has obtained independent opinion of fair market value supporting the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The cost of this Amendment is $800,000. The total not to exceed amount of this Agreement is $1,680,000 for the period September 1, 2023 to September 30, 2027. $400,000 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

First Amendment
Agreement

Attachments on file at the Clerk of the Board

Introduced: 7/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by twenty-four months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
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The cost of this Amendment is $800,000. The total not to exceed amount of this Agreement is $1,680,000 for the period September 1, 2023 to September 30, 2027. $400,000 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

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The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

First Amendment
Agreement

Attachments on file at the Clerk of the Board

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FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of October 1, 2025, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of September 1, 2023 (the **"Agreement"**) pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term of the Agreement for an additional twenty-four (24) months and add Eight Hundred Thousand Dollars ($800,000) to the aggregate amount payable to Contractor, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation**"), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Thousand Dollars ($1,600,000)**."**

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> "**5.1 Term.** This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2027 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

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4. **Exhibit 1.10**. Exhibit 1.10 to the Agreement is hereby renumbered as Exhibit 1.11 and deleted and replaced in its entirety and attached hereto as **Exhibit 1.11**.

5. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

7. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: Daniel Luba
B974AA04988425...
Its Daniel Luba

Date: 7/22/2025 | 5:14 PM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 7/28/2025 | 10:11 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/28/2025 | 2:28 PM PDT

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Exhibit 1.11

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.

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6. Commit and contribute to the overall educational mission of Natividad and promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

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EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

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1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved: MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name: Daniel Luba

Signature: DocuSigned by: Daniel Luba B974AA244988425... Date: 7/22/2025 | 5:14 PM PDT

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-16552
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) to execute the Professional and Call Coverage Services Agreement with Monterey Bay GI Consultants to provide gastroenterology services for an amount not to exceed $800,000 for the period September 1, 2023 to September 30, 2025; and
b. Authorize the Chief Executive Officer for NMC to sign up to three (3) amendments to this agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount and do not increase the total contract amount above $880,000.

PASSED AND ADOPTED on this 29th day of August 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting August 29, 2023.

Dated: August 30, 2023
File ID: A 23-349
Agenda Item No.: 18

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

DocuSign Envelope ID: 7A8229EF-822E-495A-AD5C-FC14A1271F53

PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. ("Contractor")

DocuSign Envelope ID: 7A8229EF-822E-495A-AD5C-FC14A1271F53

PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (this **"Agreement"**) is entered into as of September 1, 2023, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

C. Contractor is a professional corporation organized under the laws of the State of California (the **"State"**), consisting of qualified physicians (collectively, the **"Group Physicians"** and each, a **"Group Physician"**) and advance practice practitioners (collectively, the **"Group Clinicians"** and each, a **"Group Clinician"**) who are employed or otherwise engaged by Group to provide professional services on Group's behalf (collectively, the **"Group Providers"** and each, a **"Group Provider"**). Each Group Physician is board certified, or is otherwise in compliance with the board certification requirements set forth in the Hospital's medical staff (**"Medical Staff"**) bylaws, for the practice of medicine in the specialty of gastroenterology (the **"Specialty"**) and is a physician duly licensed and qualified to practice medicine in the State of California (the **"State"**). Each Group Clinician is trained and/or experienced in the Specialty, or in another specialty as deemed fit by Hospital, and is otherwise in compliance with the licensure and/or certification requirements set forth in the Hospital's Advanced Practice Professional (**"APP"**) bylaws.

D. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the emergency department (**"ED"**) and/or who are admitted as Hospital inpatients in need of medical care or treatment in the Specialty (collectively, the **"Patients"**), without regard to any consideration other than medical condition.

E. In order to ensure adequate and continued Specialty coverage for the Hospital as required by applicable federal and state laws, Hospital desires to engage a panel of physicians specializing in the Specialty, including Contractor (each, a **"Panel Member"** and, collectively, the **"Panel Members"**), to provide call coverage for the Hospital, upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Parties hereby agree as set forth below.

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AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Services.

(a) Contractor shall provide the professional services in the Specialty to Patients (**"Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement. Contractor shall ensure that one (1) or more of its Group Physicians shall be available on an on-call basis to provide Specialty medical care and treatment to Patients (**"Coverage Services"**) along with other Panel Members, in a manner that is sufficient to ensure coverage of Hospital in the Specialty twenty-four (24) hours per day, seven (7) days a week, including all holidays, upon the terms and conditions set forth in this Agreement. For the avoidance of doubt, Contractor shall provide Coverage Services with other Panel Members, and nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor contemplates or guarantees any minimum number of Shifts of Coverage Services to be provided by Contractor.

(b) Group Providers shall provide timely initial follow-up care for all Hospital Patients referred for care by the ED or attending physician. If a Group Provider is the physician on-call at the time of the referral, Group Provider shall provide any necessary follow-up care for such Patients regardless of the Patient's ability to pay for services at the time of the first visit.

(c) Commencing on a date requested by the Hospitalist and accepted by Contractor, Contractor provide to Hospital those services set forth in **Exhibit 1.1(c)** (the **"Advanced Practice Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement. Contractor shall ensure that the Advanced Practice Professional Services are performed when from time to time, not to exceed forty (40) hours per week unless Contractor obtains Hospital's prior written consent to increase or decrease such staffing to meet the demands of heavy patient volume beyond the control of either Party.

(d) Group Physicians shall provide supervision of any Group Clinician employed or contracted by Contractor providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or Advanced Practice Professional Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.

(e) Contractor shall provide and cause a Group Physicians designated by Contractor and accepted and approved by Hospital, to serve as medical director of the Department (**"Medical Director"**). Medical Director shall perform the duties set forth on **Exhibit 1.1(e)** (the **"Medical Director Services"**) and shall perform all Medical Director Services in accordance with the Hospital Rules and upon the terms and subject to the conditions set forth in this Agreement. Contractor shall cause Medical Director to devote whatever time is

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necessary to effectively provide the Director Services. Medical Director shall allocate time to Director Services when and as needed and as reasonably requested by Hospital from time to time. ."

1.2 Teaching Services. Contractor shall provide to Hospital those teaching services set forth in **Exhibit 1.2** (collectively, the **"Teaching Services"**). Contractor shall not be separately compensated for the provision of Teaching Services under this Agreement.

1.3 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Coverage Services, Professional Services, Supervision Services, and Additional Services are sometimes referred to collectively in this Agreement as the **"Services**."

1.4 Time Commitment. Contractor shall allocate time among the Professional Services, Teaching Services, Coverage Services, Supervision Services, and Additional Services as reasonably requested by Hospital from time to time.

1.5 Availability. Contractor shall be available to provide the Services on a twenty-four (24) hour per day, seven (7) day per week basis. On or before the first (1st) day of each month, Contractor shall inform Hospital of Group Physician's schedule of availability to perform the Services during the following month. Contractor must provide a minimum availability of seven (7) shifts per month, including weekends, and one (1) minor and one (1) major holiday per year. Contractor shall use his or her best efforts to adjust such schedule of availability if reasonably requested by Hospital in order to meet Hospital's needs for the Services

1.6 Time Reports. Contractor shall maintain and submit to Hospital monthly time sheets that provide a true and accurate accounting of time spent on a daily basis providing the Services. Such time sheets shall be on the then-current form provided by Hospital attached hereto as **Exhibit 1.5**. Contractor shall submit all such time sheets to Hospital no later than the tenth (10th) day of each month for Services provided during the immediately preceding month.

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1.7 Medical Staff.

(a) Each Group Physician shall be a member in good standing and active on the Hospital's Medical Staff and have and maintain all clinical privileges at Hospital necessary for the performance of Group Physician's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), any Group Physician is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Group Physician's obligations hereunder, such Group Physician shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that such Group Physician diligently pursues such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws; and provided, however, that, at all times, Group Physician has been granted privileges to perform the Services. Any Group Physician may obtain and maintain medical staff privileges at any other hospital or health care facility at Group Physician's sole expense.

(b) If each Group Clinician is required by his or her professional responsibilities to provide clinical services in a hospital setting and to hospital inpatients, Group Clinician shall be a member in good standing in the "active staff" category of the Advanced Practice Professional Staff of such hospital and have an maintain all privileges at such hospital necessary for the performance of Group Clinician's obligations under this Agreement. If Group Clinician is not a member in good standing in the "active staff" category of the Advanced Practice Professional Staff as of the Effective Date, Group Clinician shall have a reasonable amount of time to obtain such membership, provided that Group Clinician diligently pursues such membership in accordance with the normal procedure as set forth in the Advanced Practice Professional Staff bylaws.

1.8 Professional Qualifications. Each Group Physician shall have and maintain an unrestricted license to practice medicine in the State. Each Group Physician shall be board certified in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Each Group Physician shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration. Each Group Clinician shall be duly licensed or certified by the applicable State authority, as required to be eligible to perform services in the Specialty.

1.9 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor and each Group Provider shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.10 Performance Standards. Contractor and each Group Provider shall comply with all bylaws, Medical Staff and Advanced Practice Professional Staff policies, rules and regulations of Hospital and the Medical Staff and Advanced Practice Professional Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

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1.11 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.10** (the **"Code"**), and agrees that Contractor and each Group Provider has been given ample opportunity to read, review and understand the Code. With respect to Contractor's and the Group Providers' business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor nor any Group Provider shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor and each Group Provider shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

1.12 Continuing Medical Education. Contractor shall ensure that each Group Provider participates in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

1.13 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor or any Group Provider becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) the medical staff membership or clinical privileges of any Group Provider at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) any Group Provider becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) any Group Provider voluntarily or involuntarily retires from the practice of medicine;

(e) any Group Provider's license to practice medicine or certification in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(f) Contractor or any Group Provider is charged with or convicted of a criminal offense;

(g) Contractor changes the location of Contractor's office;

(h) any act of nature or any other event occurs which has a material adverse effect on Contractor's or any Group Provider's ability to provide the Services; or

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(i) Contractor or any Group Provider is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.14 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) no Group Provider's license to practice medicine or certification in any state has ever been suspended, revoked or restricted; (b) neither Contractor nor any Group Provider has ever been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) neither Contractor nor Group Provider has ever been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) no Group Provider has ever been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) no Group Provider's medical staff or Advanced Practice Professional staff membership or clinical privileges at any hospital or health care facility have ever been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) no Group Provider has ever been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

1.15 Nondiscrimination. Neither Contractor nor any Group Provider shall differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.16 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Hospital and the administrative services hereunder.

1.17 Use of Space. Contractor and each Group Provider shall use Hospital's premises and space solely and exclusively for the provision of the Services, except in an emergency or with Hospital's prior written consent.

1.18 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor and Group Provider shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

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1.19 Coordination with Attending Physicians. Contractor shall ensure that each Group Provider promptly reports the results of all professional services furnished to an ED patient to such patient's attending physician(s) and any other provider(s) engaged in specialty consultation or treatment for such patient.

1.20 Medical Records and Claims.

(a) Contractor shall ensure that each Group Provider prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to ED patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any ED patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to ED patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for ED patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the expiration or termination of this Agreement. This Section 1.19(b) shall survive the expiration or termination of this Agreement.

1.21 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

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1.22 Response Times. Contractor shall ensure that each Group Provider responds in person to a request for an emergency evaluation by the attending physician or the ED physician within a response time frame as required by the patient's medical condition and in accordance with Hospital Rules. Contractor shall ensure that each Group Provider responds within forty (40) minutes by phone, if asked to respond by phone, to any request for an ED or patient phone consultation and subsequent follow-up at Hospital.

1.23 Group Providers.

(a) Contractor shall employ, contract with, or otherwise engage Group Providers. Contractor has initially engaged those Group Providers listed (and identified by NPI number) on **Exhibit 1.22(a)** to provide the Services, which Group Providers are hereby approved and accepted by Hospital.

(b) Contractor may from time to time engage one (1) or more additional Group Provider (including locum tenens physicians) to provide the Services under this Agreement, subject to Hospital's prior written approval, which approval may be given, withheld or conditioned by Hospital in its sole discretion. In the event Hospital withholds approval with respect to any additional Group Provider, such Group Provider shall not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that the withholding of approval is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior.

(c) Contractor shall ensure that, during the term of this Agreement, any and all Group Providers (including locum tenens physicians) providing the Services satisfy the professional standards and qualifications set forth in this Article I of this Agreement.

(d) Contractor shall provide prompt written notice to Hospital in the event any Group Provider resigns, is terminated by Contractor, or otherwise ceases to provide the Services.

(e) Contractor shall ensure that the Services are performed only by Group Providers who have been approved and accepted by Hospital, and have not been removed in accordance with this Agreement.

(f) Contractor shall cause each Group Provider providing the Services to comply with all obligations, prohibitions, covenants and conditions imposed on Contractor pursuant to this Agreement. Contractor shall cause each Group Provider to execute and deliver to Hospital a letter of acknowledgment in the form attached as **Exhibit 1.22(f)** prior to providing any Services under this Agreement.

ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Eight Hundred Thousand Dollars ($800,000).

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2.2 Billing and Collection. Contractor shall be solely responsible for billing and collecting for all Professional Services rendered to Patients by any Group Provider pursuant to this Agreement (**"Contractor Services"**). Contractor agrees that such collections shall be Contractor's sole compensation for Contractor Services. All billing shall be in compliance with applicable laws, customary professional practice, the Medicare and Medicaid Programs and other third party payor programs, whether public or private.

(a) **Billing Compliance.** Contractor shall comply with all applicable Laws, including those of the Federal Health Care Programs, customary professional practice, and other third party payor programs, whether public or private, in connection with billing and coding for Contractor Services provided pursuant to this Agreement. Contractor shall adopt and maintain billing and coding compliance policies and procedures to ensure Contractor's compliance with applicable Laws, including those of the Federal Health Care Programs. Hospital shall have reasonable access to Contractor's records in order to assure Contractor's compliance with this Agreement.

(b) **Patient Information.** Hospital shall take all necessary and reasonable steps to provide Contractor appropriate patient information to facilitate Contractor's billing for the Contractor Services rendered pursuant to this Agreement.

(c) **Separate Billing.** Neither Contractor nor Hospital shall bill for, guarantee the ability to collect, or have any claim or interest in or to the amounts billed or collected by the other Party. Contractor shall cooperate with Hospital in completing such claim forms for Patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

(d) **Debt Collection Practices.** Contractor shall comply, and shall ensure that any collection agency engaged by Contractor complies, with the Fair Debt Collection Practices Act (15 U.S.C. 1692, et seq.) and Section 1788, et seq. of the California Civil Code (collectively, the **"Debt Collection Acts"**). Contractor shall not, and shall ensure that any collection agency engaged by Contractor does not, with respect to any Hospital patient who is not enrolled in any HMO, PPO, POS or other third party payor plan or program, or Medicare, Medicaid or any other government funded health care benefit plan or program: (i) use wage garnishments or liens on primary residences as a means of collecting unpaid bills for Contractor Services rendered by Contractor pursuant to this Agreement, or (ii) report adverse information to a consumer credit reporting agency or commence civil action against any such patient for nonpayment at any time prior to one hundred fifty (150) days after initial billing for Contractor Services rendered by Contractor pursuant to this Agreement.

(e) **Collection Agencies.** Hospital shall have the right to object to Contractor's use of any collection agency that engages in conduct that violates the Debt Collection Acts or Section 2.2(d) of this Agreement, or that results in the unreasonable annoyance or harassment of patients. Contractor shall either cure this problem or discharge the collection agency within thirty (30) days following written notice of objection by Hospital. If this problem occurs a second time, Contractor shall discharge the collection agency within thirty (30) days following written notice of objection by Hospital.

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2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

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ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's or Group Provider's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor and each Group Provider with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor and Group Provider is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor and Group Provider shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

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☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor and Group Providers complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor, Group Providers, and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

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Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor and each Group Provider shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor and each Group Provider shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's or Group Providers' performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's performance" includes Contractor's and Group Providers' acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

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(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor and Group Providers, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor or any Group Provider shall be construed to make or render Contractor or any Group Provider the agent, employee or servant of County. Contractor and each Group Provider agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Hospital, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor and each Group Provider is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's and Group Provider's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor or Hospital and any Group Provider. No Group Provider shall hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor or any Group Provider with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement effective immediately upon written notice. In the event of such

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termination, the Parties remain free to negotiate an employer/employee contract with any Group Provider.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's or any Group Provider's professional medical judgment or the methods by which Contractor or any Group Provider performs professional medical services; provided, however, that Contractor and Group Providers shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff or Advanced Practice Professional Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor and the Group Providers shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor or the Group Providers best qualified to deliver medical services to any particular patient; provided; however, that neither Contractor nor any Group Provider shall refer any Hospital patient to any provider or health care services which either Contractor or any Group Provider knows or should have known is excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program or state equivalent. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor or Hospital and the Group Providers, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days notice to the other Party. Contractor's rights under this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor, Group Provider or any person employed or retained by Contractor.

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4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Hospital. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

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4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor or any Group Provider to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor or any Group Provider where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) neglect of professional duty by Contractor or any Group Provider in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's policies, rules or regulations;

(c) there is a "substantial change" in Contractor which has not received prior written approval or subsequent ratification by Hospital. The retirement, withdrawal, termination, or suspension of one (1) or more Group Physicians of Contractor at any time during the term of this Agreement shall be considered to be a "substantial change" in Contractor only if there is a reduction in hours equivalent to in excess of one full-time Group Physician. Notwithstanding anything in the foregoing to the contrary, the retirement, withdrawal, termination, or suspension of any single Group Physician of Contractor shall not constitute a "substantial change" in Contractor as that term is used herein;

(d) breach by Contractor or any Group Provider of any HIPAA Obligation (as defined in **Exhibit 6.3**);

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(e) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(f) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(g) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(h) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

(b) If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

(c) For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

(i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

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(ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

(iii) prevent Contractor or any Group Provider from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

(iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor or any Group Provider referred patients to Hospital or any Affiliate of Hospital;

(v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor or any Group Provider;

(vi) subject Hospital or Contractor, any Group Provider, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

(vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(d) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by, or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective sixty (60) calendar days after written notice of termination is given to the other Party.

5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) all rights and obligations of the Parties shall cease except: (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement; (ii) those rights and obligations which expressly survive termination or expiration of this Agreement; and (iii) Contractor's obligation to continue to provide services to Hospital patients under Contractor's and Group Providers' care at the time of expiration or termination of this Agreement, until the patient's course of treatment is completed or the patient is transferred to the care of another physician;

(b) upon Hospital's request, Contractor and any Group Provider shall immediately vacate the premises, removing any and all of Contractor's and Group Providers' personal property, and Hospital may remove and store, at Contractor's expense, any personal property that either Contractor or any Group Provider has not so removed;

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(c) Contractor and Group Providers shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, in Contractor's or Group Providers' possession or under Contractor's or Group Providers' control;

(d) Contractor and Group Providers shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interferes in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital;

(e) The expiration or termination of this Agreement shall not entitle Contractor or Group Providers to the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff bylaws or otherwise; and

(f) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Immediate Removal of Group Providers. Contractor shall immediately remove any Group Provider from furnishing Services under this Agreement who:

(a) has his or her Medical Staff membership or clinical privileges at Hospital terminated, suspended, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(b) has his or her license to practice medicine in the State, DEA registration denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) is convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any crime relevant to Professional Services or the practice of medicine;

(d) is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent;

(e) fails to satisfy any of the standards and qualifications set forth in Sections 1.6, 1.7, 1.9 and 1.11 of this Agreement; or

(f) fails to be covered by the professional liability insurance required to be maintained under this Agreement.

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5.8 Removal of Group Providers upon Hospital Request. Upon written request by Hospital, Contractor shall immediately remove any Group Provider from furnishing Services under this Agreement who:

(a) engages in conduct that, in Hospital's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Hospital;

(b) fails to comply with any other material terms or conditions of this Agreement after being given written notice of that failure and a reasonable opportunity to comply;

(c) is unable to perform services as required under this Agreement for more than thirty (30) days in the aggregate over any three (3) month period; or

(d) within a twelve (12) month period, has two (2) or more medical malpractice judgments filed against him or her, or he or she becomes the subject of two (2) or more proceedings by the Medical Staff regarding the performance of professional medical services.

5.9 Effect of Removal. Upon the removal of a Group Provider pursuant to Section 5.7 or Section 5.8 of this Agreement, Contractor shall employ, contract with, or otherwise engage, at its cost and expense, a qualified substitute for the removed Group Provider, or shall demonstrate to Hospital's satisfaction Contractor's ability to continuously perform the Services without such a substitute. Failure to take such action shall constitute a material breach of this Agreement, subject to Section 5.2. Nothing herein shall be construed to limit Hospital's rights under Section 5.2 or any other provision of this Agreement.

5.10 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's or any Group Provider's possession or under Contractor's or any Group Provider's control.

5.11 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

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6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor and Group Providers shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor and Group Providers shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor and Group Providers, the provision of the Services, or the obligations of Contractor and Group Providers under this Agreement, including without limitation laws that require Contractor or any Group Provider to disclose any economic interest or relationship with Hospital, the Emergency Medical Treatment and Active Labor Act and the rules and regulations thereunder (**"EMTALA"**), and California Health and Safety Code Section 1317 and the rules and regulations thereunder (**"Health and Safety Code §1317"**). Contractor shall perform and handle all patient transfers and reports in accordance with applicable Laws, including EMTALA, and Health and Safety Code §1317. Contractor and Group Providers shall take actions necessary to ensure that the Hospital is operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor and Group Providers may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor or Group Providers, or to which Contractor or Group Providers may gain access in the performance of the Services under this Agreement, or which Contractor or any Group Provider knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor nor any Group Provider shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor and Group Providers shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor and any Group Provider protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor and Group Providers prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

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(c) Contractor and Group Providers shall return to Hospital all Confidential Information and all copies thereof in Contractor's and Group Providers' possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or expiration of this Agreement. Neither Contractor nor any Group Provider shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor or any Group Provider shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's or any Group Provider's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor or any Group Provider under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor and Group Providers shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(a) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

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(b) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(c) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(d) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(e) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties, including, without limitation, the Prior Agreement. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall ensure that no Group Provider accepts consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall ensure that no Group Provider accepts similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which a Group Provider served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 New Group Providers. Each new Group Provider shall agree in writing to be bound by the terms of and conditions of this Agreement.

6.19 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's or Group Providers' duties under this Agreement.

6.20 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

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6.21 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Chief Medical Officer

If to Contractor, addressed to:

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.
23 Upper Ragsdale Drive
Monterey, CA 93940

6.22 Participation in Federal Health Care Programs. Contractor hereby represents that neither it nor any Group Provider is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.23 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.24 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.25 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.26 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: _____ Date: 8/16/2023 | 1:05 PM PDT
B974AA244988425...
Its Medical director

DocuSigned by:
By: _____ Date: 8/16/2023 | 1:05 PM PDT
B974AA244988425...
Its Medical director

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris
4E1F837D204E481...
Deputy Purchasing Agent Date: 8/31/2023 | 5:04 PM PDT

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel Date: 8/16/2023 | 6:51 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller Date: 8/17/2023 | 12:58 PM PDT

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Exhibit 1.1(d)

ADVANCED PRACTICE PROFESSIONAL SERVICES

Under the direction of the Supervising Physician, the Advanced Practice Professional ("APP") shall:

Be available to round on inpatients;

Take medical histories and conduct physical exams;

Assist with medical procedures in the operating room;

Assist with necessary follow-up in the outpatient clinic;

Collaborate with physicians and other healthcare providers to develop treatment plans;

Communicate with patients, families and healthcare providers;

Document patient care in medical record in a timely manner.

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Exhibit 1.1(d)

MEDICAL DIRECTOR SERVICES

Subject to the terms of the Agreement, Contractor shall ensure that the Medical Director:

1. provides general administration of the day-to-day operations of the Department;
2. advises and assists in the development of protocols and policies for the Department;
3. ensures physician coverage of the Department;
4. schedules, coordinates and supervises the provision of medical and ancillary services within the Department;
5. ensures the maintenance of consistently high quality service, and advise Hospital in the development and implementation of an appropriate quality assurance program with respect to the Department;
6. coordinates and consults with Hospital and Medical Staff regarding the efficiency and effectiveness of the Department, and makes recommendations and analyses as needed for Hospital to improve services provided in the Department and reduce costs;
7. develops, reviews, and provides training programs for Medical Staff and Hospital personnel;
8. prepares such reports and records as may be required by this Agreement, Hospital or the Medical Staff;
9. participates in Hospital and Medical Staff committees upon request by Hospital;
10. participates in continuing medical education, research and teaching activities upon request by Hospital;
11. participates in utilization review programs, as reasonably requested by Hospital;
12. participates in risk management and quality assurance programs, as reasonably requested by Hospital; and
13. assists Hospital management with preparation for, and conduct of, any inspections and on-site surveys of Hospital or the Department conducted by governmental agencies, accrediting organizations, or payors contracting with Hospital.

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Exhibit 1.2

TEACHING SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. supervise patient care in a constructive and supportive way;

2. demonstrate effective interviewing, physical examination, procedures, use of diagnostic and therapeutic interventions, and medical records documentation;

3. create a professional role model; and

4. evaluate resident performance in a meaningful, objective fashion.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. provide teaching, educational or training services, as reasonably requested by Hospital;

2. participate in utilization review programs, as reasonably requested by Hospital;

3. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

4. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

5. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

6. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

7. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Hospital conducted by governmental agencies or accrediting organizations;

8. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

9. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

10. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.5

CONTRACTOR'S MONTHLY TIME REPORT

(See attached.)

Natividad MEDICAL CENTER

Accurately document all time in quarter hour (.25 hour) increments. Do not exceed 24 hours in a single day.
Directions and examples are located on back of timesheet.

			Direct			Hospital Administrations and Teaching Services							Other Admin		Non-billable Activities				Total
			00001			00002	00003	00004	00005	00006	00007	00008	00009		00010		00011	00012	
Name:			Direct Patient Care Services												Non-Productive Hrs				
Employee #:																			
Dept Name:			Sched. IP/ OP Care (PR)	In House On-Call (PR)	Off-Site Call (PR)	Supervision & Training of Nurses & Techs, etc.	Utilization Review and Other Committee Meetings	Quality Control, Medical Review, Autopsy	Supervision of Interns and Residents	Teaching of Interns & Residents	Teaching & Supervision of Allied Hlth Professionals	Other Administrative (specify)	CME (PR)	Conferences and Training (PR)	Paid Time Off (Sick/ Vacation) (PR)	Holiday (PR)	Research	Other Non-Billable Activities (specify)	TOTAL HOURS
Cost Center:																			
Period Ending:																			
1	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
2	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
3	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
4	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
5	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
6	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
7	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
8	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
9	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
10	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
11	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
12	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
13	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
14	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	

SIGN IN BLUE INK

I certify that the above information is a true and accurate statement of the hours and locations indicated.

Provider: _____

Telephone Number: _____ Date: _____

SIGN IN BLUE INK

I certify that the hours and types of service shown below are correct and that the employee performed satisfactorily, meeting all requirements.

Service Director: _____

Telephone Number: _____ Date: _____

REV. 4/20/2011

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Exhibit 1.10

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one’s practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 1.22(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Providers Below]

Group Provider	NPI Number
Luba, Daniel G., M.D.	1790786002
Mendoza, Michael J., M.D.	1902989668
Hell, Richard W., M.D.	1114937927

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Exhibit 1.22(f)

LETTER OF ACKNOWLEDGEMENT

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Ladies and Gentlemen:

I acknowledge that NATIVIDAD MEDICAL CENTER (***"Hospital"***) and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. (***"Contractor"***) have entered into a Professional and Call Coverage Services Agreement (***"Agreement"***) under which Contractor shall perform specified Services (as defined in the Agreement), and that I have been engaged by Contractor to provide Professional Services as a ***"Group Provider"*** (as defined in the Agreement). In consideration of Hospital's approval of me as a Group Provider eligible to furnish the Services, I expressly:

1. Acknowledge that I have read those portions of the Agreement referenced in this Letter of Acknowledgement, and agree to abide by and comply with all of the requirements of the Agreement applicable to Group Providers;

2. Acknowledge that I have read the Code, and agree to abide by and comply with the Code as they relate to my business relationship with Hospital or any Affiliates, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind;

3. Acknowledge that I have no employment, independent contractor or other contractual relationship with Hospital, that my right to practice at Hospital as a Group Provider is derived solely through my employment or contractual relationship with Contractor;

4. Acknowledge that upon the expiration or termination of the Agreement for any reason, or the termination of my employment or other affiliation with Contractor for any reason, my clinical privileges to provide Professional Services and my Medical Staff membership if such clinical privileges are the only privileges I hold, will each immediately be relinquished, without any action on the part of Hospital and/or the Medical Staff;

5. Acknowledge that, with regard to all of the foregoing, I will not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that my removal, or the termination of my right to provide Professional Services, as applicable, is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior, and hereby waive any right to demand or otherwise initiate any such hearing or appellate review under any provision of the Medical Staff Bylaws.

Sincerely,

_____
[Name of Group Provider]

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Exhibit 2.1

COMPENSATION

1. **Stipend Compensation.** Hospital shall pay to Contractor an amount equal to One Thousand Five Hundred Three Dollars ($1,503) per Shift for Coverage Services and Professional Services provided to Patients by Group Physicians pursuant to this Agreement. For purposes of this Agreement, a **"Shift"** shall mean a twenty-four (24) hour period.

2. **Advanced Practice Professional Services**. Hospitalist shall pay to Contractor an amount equal to Seventy Five Dollars ($75) per hour for the Advanced Practice Professional Services (the "**APP Compensation**") provided under this Agreement. The sum of the Coverage Stipend and the aggregate APP Compensation shall not to exceed Two Thousand One Hundred Three Dollars ($2,103) per day.

3. **Medical Director Services.** Hospital shall pay to Contractor the amount equal to Two Hundred Dollars ($250) per hour for the provision of Associate Medical Director Services, not to exceed Two Thousand Five Hundred Dollars ($2,500) per month.

4. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor's submission of the monthly invoice of preceding month's activity and time report in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice and time sheet within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective September 1, 2023 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.
23 Upper Ragsdale Drive
Monterey, CA 93940

Attn:_____

Phone:_____

Fax:_____

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Attn:_____

Phone:_____

Fax:_____

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

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5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

DocuSign Envelope ID: 7A8229EF-822E-495A-AD5C-FC14A1271F53

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.

DocuSigned by:

By: _____
B974AA244988425...

Print Name: DEFAULT

Print Title: Medical director

Date: 8/16/2023 | 1:05 PM PDT

COUNTY OF MONTEREY, ON BEHALF OF
NATIVIDAD MEDICAL CENTER

DocuSigned by:

By: Charles Harris
4E1F837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 8/31/2023 | 5:04 PM PDT

County of Monterey

Board Report

Legistar File Number: A 25-326

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 7/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

RECOMMENDATION:

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

SUMMARY/DISCUSSION:

NMC must arrange for the provision of professional consultation and treatment of patients who present to the emergency department and who are admitted to the hospital in need of medical care the specialty of neurology. Access TeleCare to provides 24/7 neurology consultative services for patients via specialized electronic telemedicine equipment. Services include indirect physical exams, history taking, diagnostic protocols, image analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergency. Due to high patient volumes, NMC wishes to amend the agreement with Access TeleCare and add funds so that they can continue to provide services without interruption. NMC has obtained an independent opinion of fair market value for the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:

The total cost of this amendment is $400,000. The total not to exceed amount of this Agreement is $1,6800,000 for the period April 1, 2022 to March 31, 2026. $656,722 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

Fourth Amendment
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

County of Monterey

Board Report

Legistar File Number: A 25-326

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 7/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

RECOMMENDATION:

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

SUMMARY/DISCUSSION:

NMC must arrange for the provision of professional consultation and treatment of patients who present to the emergency department and who are admitted to the hospital in need of medical care the specialty of neurology. Access TeleCare to provides 24/7 neurology consultative services for patients via specialized electronic telemedicine equipment. Services include indirect physical exams, history taking, diagnostic protocols, image analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergency. Due to high patient volumes, NMC wishes to amend the agreement with Access TeleCare and add funds so that they can continue to provide services without interruption. NMC has obtained an independent opinion of fair market value for the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:

The total cost of this amendment is $400,000. The total not to exceed amount of this Agreement is $1,6800,000 for the period April 1, 2022 to March 31, 2026. $656,722 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

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The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

Fourth Amendment
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

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FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023, April 1, 2024 and December 10, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Eighty Thousand Dollars ($1,680,000)."

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By: _____ Date: Jul 23, 2025
Its President 18K58WQ4-15Y8W5X7

By: XXXXXXX Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel Date: 7/31/2025 | 4:54 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller Date: 8/1/2025 | 7:42 AM PDT

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15737 ; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,280,000 and extending the term by twelve months (April 1, 2025 to March 31, 2026) for a revised full agreement term of April 1, 2022 to March 31, 2026.

PASSED AND ADOPTED on this 3rd day of December 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 3, 2024.

Dated: December 9, 2024
File ID: A 24-531
Agenda Item No.: 42

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023 and April 1, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term by twelve (12) months and add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Two Hundred Eighty Thousand Dollars ($1,280,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until March 31, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

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4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

DocuSigned by:
By: Chris Gallagher
AEFC4B394B0E40F...
Its President

Date: 11/5/2024 | 5:07 PM EST

By: xxxxxxxxxxxxx
Its

Date:

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris
4E1F837D204E481...
Deputy Purchasing Agent

Date: 12/10/2024 | 2:53 PM PST

APPROVED AS TO LEGAL PROVISIONS:

Signed by:
Stacy Saetta
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 11/6/2024 | 1:15 PM PST

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...
Deputy Auditor/Controller

Date: 11/6/2024 | 4:01 PM PST

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-15737; Amendment No.: 2
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services extending the term by twelve months (April 1, 2024 to March 31, 2025) for a revised full agreement term of April 1, 2022 to March 31, 2025, but with no change to the aggregate not to exceed amount of $880,000.

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-110
Agenda Item No.: 23

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

DocuSign Envelope ID: 59BCC236-EF2B-45A3-AB94-8C8E268C7F07

SECOND AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) is made and entered into effective as of April 1, 2024 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 and amended effective as of January 1, 2023 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement and extend the term by twelve (12) months.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until the earlier of: (a) the effective date of any new agreement entered into by and between Parties for the same or similar services as this Agreement, or (b) March 31, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

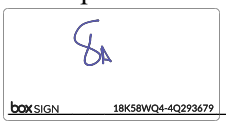
5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By:  Date: Mar 13, 2024

Its CEO

By: _____ Date: _____

Its _____

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris
4E1E837D204E481...

Date: 4/1/2024 | 10:23 AM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0EGE1B99F444A9...

Date: 3/14/2024 | 10:53 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Date: 3/14/2024 | 12:54 PM PDT

Deputy Auditor/Controller

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Chris Lopez to:

Agreement No.: A-15737 ; Amendment No.: 1
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (formerly Tele-Physicians, P.C.) to provide tele-neurology services adding $80,000 for a revised amount not to exceed $880,000 in the aggregate, but with no change to the original Agreement term, April 1, 2022 to March 31, 2024.

PASSED AND ADOPTED on this 24th day of October 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting October 24, 2023.

Dated: November 1, 2023
File ID: A 23-497
Agenda Item No.: 52

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

DocuSign Envelope ID: 64E2CB96-F8D9-433C-8E0A-9540DD96FDE8

FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE AGREEMENT (the "**First Amendment**") is made and entered into effective as of January 1, 2023, by and between County of Monterey ("**County**") on behalf of Natividad Medical Center ("**Hospital**") and Access TeleCare California, P.C., a California professional corporation ("**Contractor**") with respect to the following:

RECITALS

A. Hospital and Tele-Physicians, P.C., a California professional corporation were parties to a Professional and Call Coverage Agreement **A-15737** (the "**Prior Agreement**") for the period February 1, 2018 to March 31, 2022.

B. Hospital and Tele-Physicians, P.C., a California professional corporation are parties to a Professional and Call Coverage Agreement (the "**Agreement**") dated effective April 1, 2022, pursuant to which Contractor provides the Services, as defined in the Agreement, to Hospital.

C. Effective January 1, 2023 (the "**Merger Effective Date**"), Tele-Physicians, P.C. ("**Former PC**") was merged with and into Access TeleCare California, P.C., with Access TeleCare California, P.C. being the surviving company in the merger.

D. The Parties desire to amend the Agreement to update references to "Contractor," as more particularly described herein and add $80,000 to the aggregate not to exceed amount.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and undertakings contained herein, the Parties agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Amendment to Agreement.** The Agreement shall be amended to delete all references to "Tele-Physicians, P.C." and replace those references with "Access TeleCare California, P.C.," and any reference to "Contractor" in the Agreement shall now refer to "Access TeleCare California, P.C."

3. **Obligations**. Contractor expressly assumes and agrees to keep, perform and fulfill, from and after the Merger Effective Date, all of the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by Contractor under the Agreement. Contractor acknowledges that this First Amendment shall not diminish the Former PC's obligations with respect to performance owed prior to the Merger Effective Date, nor adversely affect any claims the County or Hospital may have or assert, now or in the future, with respect to such performance obligations of the Former PC.

4. **Termination**. Hospital and Contractor agree to terminate the Agreement, effective as of the Effective Date of a new Professional and Call Coverage Services Agreement ("**New PSA**"), as defined under the New PSA.

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5. **Hold Harmless**. The Contractor, Hospital and County agree that any payments made in good faith by or on behalf of the County or Hospital to either the Former PC or Contractor, after the Merger Effective Date but prior to the execution of this First Amendment, shall be deemed to have been made to whichever Party was entitled to receive such payment pursuant to the Agreement and to this First Amendment. Neither the County nor Hospital shall have any further obligation to Contractor with respect to such payments previously made, notwithstanding other provisions of this First Amendment. Contractor acknowledges that County shall remit any payment to Contractor for services rendered by the Former PC prior to the Merger Effective Date, to the extent such payment has not already been made by or on behalf of the County on or before the date of the execution of this First Amendment, subject to the terms of the Agreement. Contractor shall hold each of the County and Hospital harmless and will indemnify each Party for making such payments.

6. **Supplemental Payment**. Parties acknowledge that payment is due for Services rendered under the Prior Agreement. Hospital shall pay Contractor an amount equal to Fifty-Three Thousand Two Hundred Fifty Dollars ($53,250) for Services provided under the Prior Agreement (the "Supplemental Payment"). Such amounts were invoiced by Contractor pursuant to the following invoices: CA0003648, CA0003670, CA0003681, CA0003717, CA0003705Aand remain outstanding.

7. **Successors and Assigns**. This Assignment shall be binding on and inure to the benefit of Access TeleCare California, P.C. and its respective successors and assigns.

8. **Third Party Beneficiaries**. Except as expressly provided in this Section, no person other than the parties hereto shall have any right, benefit or obligation under this First Amendment as a third-party beneficiary or otherwise

9. **Status of Agreement**. Except as amended above, all other provisions of the Agreement shall remain in full force and effect, without change.

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date first above written.

CONTRACTOR:
Access TeleCare California, PC

By: _____
boxSIGN 1BK58WQ4-4L26K7K9

Title: CEO

Date: Oct 11, 2023

HOSPITAL:
Natividad Medical Center

By: _____

Title: CEO

Date: 10/30/23

NATIVIDAD MEDICAL CENTER

_____
Deputy Purchasing Agent

Date: 10/30/23

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 10/11/2023 | 11:58 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...
Deputy Auditor/Controller

Date: 10/11/2023 | 3:18 PM PDT

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Chris Lopez to:

Agreement No.: A-15737
a. Authorize the Interim Chief Executive Officer for Natividad or his designee to execute the Professional and Call Coverage Services Agreement with Tele-Physicians, P.C. to provide tele-neurology services for an amount not to exceed $800,000 the period April 1, 2022 to March 31, 2024; and
b. Authorize the Interim Chief Executive Officer for Natividad or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work and do not cause an increase of more than ten percent 10% ($80,000) of the original contract amount.

PASSED AND ADOPTED on this 22nd day of March 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 22, 2022.

Dated: March 24, 2022
File ID: A 22-095
Agenda Item No.: 33

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

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PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

TELE-PHYSICIANS, P.C. ("Contractor")

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PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (this **"Agreement"**) is entered into as of April 1, 2022, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Tele-Physicians, P.C., a California professional corporation (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor is a professional corporation organized under the laws of the State of California (the **"State"**), consisting of employees and contractors (collectively, **"Group Physicians"** and each, a **"Group Physician"**), each of whom is a physician duly licensed and qualified to practice medicine in the State. Each Group Physician is board eligible for the practice of medicine in the specialty of neurology (the **"Specialty"**).

C. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the emergency department, who are admitted as Hospital inpatients in need of medical care or treatment in the Specialty, and/or who present to Hospital's Clinic (collectively, the **"Patients"**), without regard to any consideration other than medical condition.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Professional Services. Contractor shall provide the professional services in the Specialty described in **Exhibit 1.1** to Patients (**"Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement.

1.2 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

1.3 Availability. Contractor shall ensure that one (1) or more of its Group Physicians shall be available to provide the Services on a twenty-four (24) hour per day, seven (7) day per week basis.

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1.4 Medical Staff. Each Group Physician shall be a member in good standing and active on the Hospital's medical staff (the **"Medical Staff"**) and have and maintain all clinical privileges at Hospital necessary for the performance of Group Physician's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), any Group Physician is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Group Physician's obligations hereunder, such Group Physician shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that such Group Physician diligently pursues such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws; and provided, however, that, at all times, Group Physician has been granted privileges to perform the Services. Contractor agrees to pay the Hospital's initial and re-appointment fees on behalf of Group Physicians. Any Group Physician may obtain and maintain medical staff privileges at any other hospital or health care facility at Group Physician's sole expense.

1.5 Professional Qualifications. Each Group Physician shall have and maintain an unrestricted license to practice medicine in the State. Each Group Physician shall be board eligible in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Each Group Physician shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration.

1.6 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor and each Group Physician shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.7 Performance Standards. Contractor and each Group Physician shall comply with all bylaws, Medical Staff policies, rules and regulations of Hospital and the Medical Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

1.8 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.8** (the **"Code"**), and agrees that Contractor and each Group Physician has been given ample opportunity to read, review and understand the Code. With respect to Contractor's and the Group Physicians' business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor nor any Group Physician shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor and each Group Physician shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

1.9 Continuing Medical Education. Contractor shall ensure that each Group Physician participates in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

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1.10 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor or any Group Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) the medical staff membership or clinical privileges of any Group Physician at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) any Group Physician becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) any Group Physician voluntarily or involuntarily retires from the practice of medicine;

(e) any Group Physician's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(f) Contractor or any Group Physician is charged with or convicted of a criminal offense;

(g) Contractor changes the location of Contractor's office;

(h) any act of nature or any other event occurs which has a material adverse effect on Contractor's or any Group Physician's ability to provide the Services; or

(i) Contractor or any Group Physician is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.11 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) no Group Physician's license to practice medicine in any state has ever been suspended, revoked or restricted; (b) neither Contractor nor any Group Physician has ever been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) neither Contractor nor Group Physician has ever been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) no Group Physician has ever been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) no Group Physician's medical staff membership or clinical privileges at any hospital or health care facility have ever been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) no Group Physician has ever been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

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1.12 Nondiscrimination. Neither Contractor nor any Group Physician shall differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.13 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Hospital and the administrative services hereunder.

1.14 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor and Group Physicians shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

1.15 Medical Records and Claims.

(a) Contractor shall ensure that each Group Physician prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the expiration or termination of this Agreement. This Section 1.15(b) shall survive the expiration or termination of this Agreement.

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1.16 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

1.17 Group Physicians.

(a) Contractor shall employ, contract with, or otherwise engage Group Physicians. Contractor has initially engaged those Group Physicians listed (and identified by NPI number) on **Exhibit 1.17(a)** to provide the Services, which Group Physicians are hereby approved and accepted by Hospital.

(b) Contractor may from time to time engage one (1) or more additional Group Physicians (including locum tenens physicians) to provide the Services under this Agreement, subject to Hospital's prior written approval, which approval may be given, withheld or conditioned by Hospital in its sole discretion. In the event Hospital withholds approval with respect to any additional Group Physician, such Group Physician shall not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that the withholding of approval is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior.

(c) Contractor shall ensure that, during the term of this Agreement, any and all Group Physicians (including locum tenens physicians) providing the Services satisfy the professional standards and qualifications set forth in this Article I of this Agreement.

(d) Contractor shall provide prompt written notice to Hospital in the event any Group Physician resigns, is terminated by Contractor, or otherwise ceases to provide the Services.

(e) Contractor shall ensure that the Services are performed only by Group Physicians who have been approved and accepted by Hospital, and have not been removed in accordance with this Agreement.

(f) Contractor shall cause each Group Physician providing the Services to comply with all obligations, prohibitions, covenants and conditions imposed on Contractor pursuant to this Agreement. Contractor shall cause each Group Physician to execute and deliver to Hospital a letter of acknowledgment in the form attached as **Exhibit 1.17(f)** prior to providing any Services under this Agreement.

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ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Eight Hundred Thousand Dollars ($800,000).

2.2 Billing and Collection. Hospital shall have the sole and exclusive right to bill and collect for any and all Professional Services rendered to Patients by Contractor or any Group Physician under this Agreement (the **"NMC Services"**). Hospital shall have the sole and exclusive right, title and interest in and to accounts receivable with respect to such NMC Services.

(a) **Assignment of Claims.** Contractor hereby assigns (or reassigns, as the case may be) to Hospital all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall take such action and execute such documents (e.g., CMS Forms 855R and 855I), as may be reasonably necessary or appropriate to effectuate the assignment (or reassignment, as the case may be) to Hospital of all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement.

(b) **Cooperation with Billing and Collections.** Contractor shall cooperate with Hospital in the billing and collection of fees with respect to NMC Services rendered by Contractor. Without limiting the generality of the foregoing, Contractor shall cooperate with Hospital in completing such claim forms with respect to NMC Services rendered by Contractor pursuant to this Agreement as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

(c) **Hospital as Exclusive Source for Compensation for NMC Services.** Contractor shall seek and obtain compensation for the performance of NMC Services only from Hospital. Contractor shall not, bill, assess or charge any fee, assessment or charge of any type against any Hospital patient or any other person or entity for NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall promptly deliver to Hospital any and all compensation, in whatever form, that is received by Contractor or any Group Physician for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement, including any amount received from any Managed Care Organization (as defined below) for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement.

(d) **Joint and Several Liability.** Hospital and Contractor acknowledge that they will be jointly and severally liable for any Federal Health Care Program overpayments relating to claims with respect to NMC Services furnished by Contractor pursuant to this Agreement. The foregoing is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the Parties' respective indemnification obligations under this Agreement.

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(e) **Indemnification for Billing Information.** Contractor hereby agrees to indemnify County, Hospital, its officers, supervisors, trustees, employees and agents, from and against any and all liability, cost, loss, penalty or expense (including, without limitation, attorneys' fees and court costs) incurred by Hospital resulting from negligent acts or negligent omissions of Contractor which result in inaccurate and/or improper billing information furnished by Contractor and relied on by Hospital regarding Professional Services rendered by Contractor to Patients, to the extent such liability, cost, loss, penalty or expense exceeds the amount of payment or reimbursement actually received by Hospital for such services.

2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital or the Clinic to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital and Clinic, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

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ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's or Group Physician's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor and each Group Physician with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor and Group Physician is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor and Group Physician shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

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☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☒ Exemption/Modification (Justification attached; subject to approval).

Contractor does not provide services on the Natividad premises and does not drive on County Property in order to meet the requirements of the Agreement.

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor and Group Physicians complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor, Group Physicians, and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

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Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor and each Group Physician shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor and each Group Physician shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's or Group Physicians' performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's performance" includes Contractor's and Group

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Physicians' acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor and Group Physicians, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor or any Group Physician shall be construed to make or render Contractor or any Group Physician the agent, employee or servant of County. Contractor and each Group Physician agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Hospital and/or Clinic, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor and each Group Physician is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's and Group Physician's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor or Hospital and any Group Physician. No Group Physician shall hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor or any Group Physician with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall

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each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement effective immediately upon written notice. In the event of such termination, the Parties remain free to negotiate an employer/employee contract with any Group Physician.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's or any Group Physician's professional medical judgment or the methods by which Contractor or any Group Physician performs professional medical services; provided, however, that Contractor and Group Physicians shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor and the Group Physicians shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor or the Group Physicians best qualified to deliver medical services to any particular patient; provided; however, that neither Contractor nor any Group Physician shall refer any Hospital patient to any provider or health care services which either Contractor or any Group Physician knows or should have known is excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program or state equivalent. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor or Hospital and the Group Physicians, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days notice to the other Party. Contractor's rights under

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this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor, Group Physician or any person employed or retained by Contractor.

4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Hospital and/or Clinic. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to

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the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor or any Group Physician to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**), and shall continue until March 31, 2024 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor or any Group Physician where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) neglect of professional duty by Contractor or any Group Physician in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's policies, rules or regulations;

(c) there is a "substantial change" in Contractor which has not received prior written approval or subsequent ratification by Hospital. The retirement, withdrawal, termination, or suspension of one (1) or more Group Physicians of Contractor at any time during the term of this Agreement shall be considered to be a "substantial change" in Contractor only if there is a reduction in hours equivalent to in excess of one full-time Group Physician. Notwithstanding anything in the foregoing to the contrary, the retirement, withdrawal, termination, or suspension of any single Group Physician of Contractor shall not constitute a "substantial change" in Contractor as that term is used herein;

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(d) breach by Contractor or any Group Physician of any HIPAA Obligation (as defined in **Exhibit 6.3**);

(e) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(f) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(g) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(h) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

(b) If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

(c) For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

(i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

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(ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

(iii) prevent Contractor or any Group Physician from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

(iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor or any Group Physician referred patients to Hospital or any Affiliate of Hospital;

(v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor or any Group Physician;

(vi) subject Hospital or Contractor, any Group Physician, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

(vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(d) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by, or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective one hundred twenty (120) calendar days after written notice of termination is given to the other Party.

5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) all rights and obligations of the Parties shall cease except (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement, and (ii) those rights and obligations which expressly survive termination or expiration of this Agreement;

(b) upon Hospital's request, Contractor and any Group Physician shall immediately vacate the premises, removing any and all of Contractor's and Group Physicians' personal property, and Hospital may remove and store, at Contractor's expense, any personal property that either Contractor or any Group Physician has not so removed;

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(c) Contractor and Group Physicians shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, in Contractor's or Group Physicians' possession or under Contractor's or Group Physicians' control;

(d) Contractor and Group Physicians shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interferes in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital;

(e) The expiration or termination of this Agreement shall not entitle Contractor or Group Physicians to the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff bylaws or otherwise; and

(f) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Immediate Removal of Group Physicians. Contractor shall immediately remove any Group Physician from furnishing Services under this Agreement who:

(a) has his or her Medical Staff membership or clinical privileges at Hospital terminated, suspended, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(b) has his or her license to practice medicine in the State, DEA registration denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) is convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any crime relevant to Professional Services or the practice of medicine;

(d) is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent;

(e) fails to satisfy any of the standards and qualifications set forth in Sections 1.4, 1.5, 1.7 and 1.9 of this Agreement; or

(f) fails to be covered by the professional liability insurance required to be maintained under this Agreement.

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5.8 Removal of Group Physicians upon Hospital Request. Upon written request by Hospital, Contractor shall immediately remove any Group Physician from furnishing Services under this Agreement who:

(a) engages in conduct that, in Hospital's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Hospital;

(b) fails to comply with any other material terms or conditions of this Agreement after being given written notice of that failure and a reasonable opportunity to comply;

(c) is unable to perform services as required under this Agreement for more than thirty (30) days in the aggregate over any three (3) month period; or

(d) within a twelve (12) month period, has two (2) or more medical malpractice judgments filed against him or her, or he or she becomes the subject of two (2) or more proceedings by the Medical Staff regarding the performance of professional medical services.

5.9 Effect of Removal. Upon the removal of a Group Physician pursuant to Section 5.7 or Section 5.8 of this Agreement, Contractor shall employ, contract with, or otherwise engage, at its cost and expense, a qualified substitute for the removed Group Physician, or shall demonstrate to Hospital's satisfaction Contractor's ability to continuously perform the Services without such a substitute. Failure to take such action shall constitute a material breach of this Agreement, subject to Section 5.2. Nothing herein shall be construed to limit Hospital's rights under Section 5.2 or any other provision of this Agreement.

5.10 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's or any Group Physician's possession or under Contractor's or any Group Physician's control.

5.11 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

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6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor and Group Physicians shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor and Group Physicians shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor and Group Physicians, the provision of the Services, or the obligations of Contractor and Group Physicians under this Agreement, including without limitation laws that require Contractor or any Group Physician to disclose any economic interest or relationship with Hospital. Contractor and Group Physicians shall take actions necessary to ensure that the Hospital and/or Clinic are operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor and Group Physicians may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor or Group Physicians, or to which Contractor or Group Physicians may gain access in the performance of the Services under this Agreement, or which Contractor or any Group Physician knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor nor any Group Physician shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor and Group Physicians shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor and any Group Physician protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor and Group Physicians prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

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(c) Contractor and Group Physicians shall return to Hospital all Confidential Information and all copies thereof in Contractor's and Group Physicians' possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or expiration of this Agreement. Neither Contractor nor any Group Physician shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor or any Group Physician shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's or any Group Physician's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor or any Group Physician under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor and Group Physicians shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(a) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

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(b) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

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(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(c) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(d) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(e) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall ensure that no Group Physician accepts consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall ensure that no Group Physician accepts similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which a Group Physician served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 New Group Physicians. Each new Group Physician shall agree in writing to be bound by the terms of and conditions of this Agreement.

6.19 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's or Group Physicians' duties under this Agreement.

6.20 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

6.21 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as

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specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Chief Medical Officer

If to Contractor, addressed to:

SOC Telemed
2411 Dulles Corner Park, Suite 475
Herndon, VA 20171
Jeremy Hardin

6.22 Participation in Federal Health Care Programs. Contractor hereby represents that neither it nor any Group Physician is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.23 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.24 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.25 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.26 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

TELE-PHYSICIANS, P.C., a California professional corporation

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By: Jeremy Hardin Date: 3/3/2022 | 4:24 PM EST
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Its SVP, Finance

DocuSigned by:
By: Jeremy Hardin Date: 3/3/2022 | 4:24 PM EST
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Its SVP, Finance

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris Date: 3/25/2022 | 4:33 PM PDT
4E1F837D204E481...
Deputy Purchasing Agent

APPROVED AS TO LEGAL FORM:

DocuSigned by:
Stacy Saetta Date: 3/3/2022 | 1:55 PM PST
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Joey Nolasco Date: 3/4/2022 | 9:57 AM PST
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Deputy Auditor/Controller

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Exhibit 1.1

PROFESSIONAL SERVICES

1. Contractor shall ensure a Group Physician is available to provide the Professional Services as set forth in this **Exhibit 1.1** rendered by means of medical information exchanged via electronic communications by and between any Hospital treating physician and any Group Physician or with assistance of designated clinical representative. Such Professional Services shall include, without limitation:

a. indirect physical examination, history taking, diagnostic protocols (paper and/or computer driven), imaging analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergencies. Hospital shall ensure that an appropriate healthcare provider (physician, NP, PA, or specifically trained RN) is available at the bedside at the time of the consult to assist with the physical exam. If Group Physician initiates the consult and the Hospital healthcare provider is not present, the consult will not be completed and Hospital will be charged fifty percent (50%) of the per consult fee set forth in **Exhibit 2.1**; and

b. videoconferencing and teleconferencing, including the discussions between the Group Physician and the patient, the patient's family members and/or adult(s) accompanying the patient regarding any neurologic emergency.

2. The transmission of still images and of vital signs to provide Hospital's physicians with assistance with diagnosis and therapy for specific Patients with neurologic emergencies is also a part of Group Physicians' obligations under this Agreement. Review of information may include, results, images, reports or records in synchronous (video chat/screen share) or asynchronous (file/document/video recording review). In no case does any Group Physician assume the primary responsibility for the care of the Patient. Group Physicians shall transmit the results of their assessment and recommendation to the Patient's attending physician within approximately thirty (30) minutes after the evaluation is completed.

3. Contractor shall ensure that Group Physicians respond for consultation for time-sensitive neurologic emergencies ("**Emergency Consults**") under this Agreement, regardless of patient location within the Hospital, pursuant to Hospital Rules.

a. For Emergency Consults, Group Physicians shall respond within thirty (30) minutes, via telephone or videoconference, as determined in consultation with the Patient's attending physician subject to the equipment being made available by Hospital. These Emergency Consults may be generated from any patient care location in the Hospital.

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b. For non-time-dependent Emergency Consults for emergency department ("ED") Patients, Group Physicians shall respond based on the criteria and timeframes pursuant to Hospital Rules; provided, however, that Group Physicians provide such non-time-dependent Emergency Consults within three (3) hours.

4. In the event that any Consult (as defined in **Exhibit 2.1**) provided by a Group Physician under this Agreement requires a follow-up within twenty-four (24) hours (e.g. discussion regarding medication dosing, clarification of recommendation, need to answer specific questions for staff or family), Contractor shall ensure that such Group Physician responds without any additional compensation to Contractor. If it has been greater than twenty-four (24) hours since the last Consult on any given Patient, or the subsequent request for Professional Services results in the need for a full examination or supplemental recommendations, then the completion of the Consult will result in an additional compensation to Contractor if such Consult exceeds the number of Consults covered by the Minimum Monthly Fee as set forth in **Exhibit 2.1**. All requests to see a Patient on a routine or scheduled basis after the completion of an Emergency Consult will result in an additional charge to Hospital.

5. The Parties acknowledge that clinical variability is inherent in the practice of medicine. Contractor shall make best efforts to respond to variability in patient presentations for specific conditions and changes in patient status over time.

6. Between 8:00 am and 5:00 pm PT, Monday – Friday, and 8:00 am and 12:00 pm PT on Saturday, Sunday and federal holidays, Contractor shall use best efforts to provide the Professional Services on the same day when the request is made by 12:00 pm PT Monday through Friday, or 10:00 am PT on Saturday, Sunday or federal holiday. If requests are made after 12:00 pm PT or 10:00 am PT on Saturday, Sunday or federal holiday, Contractor shall ensure that a Group Physician is available for next-day scheduled consults (within twenty-four (24) hours of the request) (**"Scheduled Consults"**). Patients who qualify for Scheduled Consults include the following:

a. Patients admitted to the Hospital, primarily located on the floor or the intensive care unit ("ICU");

b. Patients in the Hospital under an observation status, who are pending admission to the floor or the ICU; and

c. Patients being held in the ED, admitted under observation status, or admitted under inpatient status under the care of a member of the Medical Staff and with an acute or chronic neurologic condition requiring neurologic expertise. Representative conditions are outlined within Contractor's current workflow training materials.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. participate in utilization review programs, as reasonably requested by Hospital;

2. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

3. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

4. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

5. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

6. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Hospital or Clinic conducted by governmental agencies or accrediting organizations;

7. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

8. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters and cooperate with Hospital's efforts to bill and collect fees for services rendered to Hospital's patients. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

9. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.8

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Allied Health Professional (AHP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one’s practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 1.17(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Physicians Below]

Group Physician	NPI Number

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Exhibit 1.17(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Physicians Below]

Group Physician	NPI Number
Maria Alexianu, MD	1235109059
Andrew Barbash, MD	1154461598
Tamara Barghouthi, MD	1245658756
Warren Carrigan, MD	1326282153
Theodore Faber, MD	1558372995
Mason Gasper, DO	1245211788
Reshma Gokaldas, MD	1083015846
Mohini Gurme, MD	1316173156
Aaron Heide, MD	1891722773
Susanna Horvath, MD	1700854809
Arshad Iqbal, MD	1174564983
Davit Mrelashvili, MD	1760539555
Brigitte Prinzivalli-Rolfe, MD	1447465489
Todd Samuels, MD	1467452490
Panna Shah, MD	1780659763
Christie Tung, MD	1972779940
Michael Vecchione, DO	1285722314
Quang Vu, MD	1952745705

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Exhibit 1.17(f)

LETTER OF ACKNOWLEDGEMENT

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Ladies and Gentlemen:

I acknowledge that NATIVIDAD MEDICAL CENTER (***"Hospital"***) and (***"Contractor"***) have entered into a Professional and Call Coverage Services Agreement (***"Agreement"***) under which Contractor shall perform specified Services (as defined in the Agreement), and that I have been engaged by Contractor to provide Professional Services as a ***"Group Physician"*** (as defined in the Agreement). In consideration of Hospital's approval of me as a Group Physician eligible to furnish the Services, I expressly:

1. Acknowledge that I have read those portions of the Agreement referenced in this Letter of Acknowledgement, and agree to abide by and comply with all of the requirements of the Agreement applicable to Group Physicians;

2. Acknowledge that I have read the Code, and agree to abide by and comply with the Code as they relate to my business relationship with Hospital or any Affiliates, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind;

3. Acknowledge that I have no employment, independent contractor or other contractual relationship with Hospital, that my right to practice at Hospital as a Group Physician is derived solely through my employment or contractual relationship with Contractor;

4. Acknowledge that upon the expiration or termination of the Agreement for any reason, or the termination of my employment or other affiliation with Contractor for any reason, my clinical privileges to provide Professional Services and my Medical Staff membership if such clinical privileges are the only privileges I hold, will each immediately be relinquished, without any action on the part of Hospital and/or the Medical Staff;

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5. Acknowledge that, with regard to all of the foregoing, I will not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that my removal, or the termination of my right to provide Professional Services, as applicable, is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior, and hereby waive any right to demand or otherwise initiate any such hearing or appellate review under any provision of the Medical Staff Bylaws.

Sincerely,

_____

[Name of Group Physician]

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Exhibit 2.1

COMPENSATION

1. **Minimum Monthly Fee.** Hospital shall pay Contractor the Minimum Monthly Fee identified as Tier 5 below for Emergency Consults or Scheduled Consults (collectively, **"Consults"**) provided under this Agreement. Hospital may choose to change the Tier upon forty-five (45) days prior written notice, once the previous Tier selection has been in place for ninety (90) days. Any requested change in the selected Tier will be effective on the first day of the month following expiration of the notice period.

Tier	Consults Included	Minimum Monthly Fee	Rate per Consult above # of Consults covered by the Minimum Monthly Fee
1	Includes 5 Consults per month	$3,500	$900
2	Includes 10 Consults per month	$6,000	$800
3	Includes 15 Consults per month	$8,250	$700
4	Includes 25 Consults per month	$12,500	$600
5	Includes 40 Consults per month	$18,000	$550
6	Includes 55 Consults per month	$23,350	$500

In the event that the number of Scheduled Consults exceed fifteen percent (15%) of the total number of Consults requested in a given month, then all Scheduled Consults above fifteen percent (15%) of the total shall be billed at a rate of One Thousand Dollars ($1,000) per Scheduled Consult for that month, not to exceed Seventy-Two Thousand Dollars ($72,000) per year.

2. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor's submission of the monthly invoice of preceding month's activity in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective April 1, 2022 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Tele-Physicians, P.C. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

SOC Telemed

2411 Dulles Corner Park, Suite 475

Herndon, VA 20171

Attn: Jeremy Hardin

Phone: 703-225-7124

Fax: n/a

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Compliance Officer
Phone: 831.755.4111
Fax: 831.755.6297

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

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5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

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IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

TELE-PHYSICIANS, P.C.

DocuSigned by:
By: Jeremy Hardin
29D128EB0D27481...

Print Name: Jeremy Hardin

Print Title: SVP, Finance

Date: 3/3/2022 | 4:24 PM EST

COUNTY OF MONTEREY, ON BEHALF OF *NATIVIDAD MEDICAL CENTER*

DocuSigned by:
By: Charles Harris
4E1F837D204E481...

Print Name: Dr. Charles R. Harris

Print Title: Interim Chief Executive Officer

Date: 3/25/2022 | 4:33 PM PDT

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

SUMMARY/DISCUSSION:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center computer system required for complete data acquisition. This would include Natividad's Meditech Electronic Medical Record (EMR). Pomphrey Consulting will provide Natividad Medical Center Trauma Registrar staffing resources who will abstract and enter the data information into the ESO Trauma One trauma registry software which is currently installed at Natividad. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Dictionary for the current admission year. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP) of which Natividad Medical Center is an active participant.

The trained and certified trauma registrar fulfills the requirements established by the American College of Surgeons for Natividad to maintain verification as a Level II Adult trauma center. The services provided by Pomphrey Consulting will satisfy four standard criteria listed as follows:

- Standard Criterion 4.31 Trauma Registry Staffing Requirements- Type II
- Standard Criterion 4.32 Certified Abbreviated Injury Scale Specialist- Type II
- Trauma Registry Courses Requirement- Type II
- Trauma Registrar Continuing Education- Type II

The trauma registrar staffing services is vital to support the Natividad Medical Center Trauma Performance Improvement Patient Safety program (PIPS). The PIPS program must be empowered to identify opportunities for improvement and develop actions to reduce the risk of patient harm. Identification of events and opportunities is only possible by analyzing standardized and validated data obtained from each patient's electronic medical record. An effective PIPS program improves patient safety and patient outcomes.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this renewal and amendment No. 1 is $200,000 of which $120,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Trauma Registry and certified trauma registrar staff are a requirement for all trauma centers verified by the American College of Surgeons (ACS). The "Resources for Optimal Care of the Injured Patient" is a published document that details standard requirements trauma centers must meet to provide optimal care to trauma patients. Each standard is listed as a criteria that must be met in order to be verified as a trauma center. This contract will assist Natividad Medical Center to have the appropriate resources to ensure we are meeting the necessary standards to maintain our Level II trauma center verification by the American College of Surgeons. It will also support our quality assurance to provide optimal care to our trauma patients.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Julie Ramirez, Trauma Program Director, 772-7350
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Pomphrey Consulting LLC Renewal and Amendment No. 1
Pomphrey Consulting LLC Agreement

Attachments on file with the Clerk of the Board

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center computer system required for complete data acquisition. This would include Natividad's Meditech Electronic Medical Record (EMR). Pomphrey Consulting will provide Natividad Medical Center Trauma Registrar staffing resources who will abstract and enter the data information into the ESO Trauma One trauma registry software which is currently installed at Natividad. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Dictionary for the current admission year. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP) of which Natividad Medical Center is an active participant.

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- Standard Criterion 4.32 Certified Abbreviated Injury Scale Specialist- Type II
- Trauma Registry Courses Requirement- Type II
- Trauma Registrar Continuing Education- Type II

The trauma registrar staffing services is vital to support the Natividad Medical Center Trauma Performance Improvement Patient Safety program (PIPS). The PIPS program must be empowered to identify opportunities for improvement and develop actions to reduce the risk of patient harm. Identification of events and opportunities is only possible by analyzing standardized and validated data obtained from each patient's electronic medical record. An effective PIPS program improves patient safety and patient outcomes.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this renewal and amendment No. 1 is $200,000 of which $120,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Trauma Registry and certified trauma registrar staff are a requirement for all trauma centers verified by the American College of Surgeons (ACS). The "Resources for Optimal Care of the Injured Patient" is a published document that details standard requirements trauma centers must meet to provide optimal care to trauma patients. Each standard is listed as a criteria that must be met in order to be verified as a trauma center. This contract will assist Natividad Medical Center to have the appropriate resources to ensure we are meeting the necessary standards to maintain our Level II trauma center verification by the American College of Surgeons. It will also support our quality assurance to provide optimal care to our trauma patients.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Julie Ramirez, Trauma Program Director, 772-7350
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Pomphrey Consulting LLC Renewal and Amendment No. 1
Pomphrey Consulting LLC Agreement

Attachments on file with the Clerk of the Board

Docusign Envelope ID: B60666F7-5CA6-40DA-841E-13464AD3A2FD

RENEWAL AND AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN POMPHREY CONSULTING, LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TRAUMA REGISTRAR STAFFING SERVICES

This Renewal and Amendment No. 1 to the Services Agreement ("Agreement") which was effective on March 1, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Pomphrey Consulting, LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for trauma registrar staffing services with a term March 1, 2024 through February 28, 2025 and a total Agreement amount not to exceed $250,000; and

WHEREAS, the Agreement expired on March 1, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 1 retroactive to March 1, 2025 to extend the term through July 1, 2027 for a revised term of Agreement (March 1, 2024 through July 1, 2027) to allow for continued need of CONTRACTOR's services with no revisions to the scope of work or billing rates, with an increase of $200,000 for a revised total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT C, subject to the limitations set forth in this Agreement. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $450,000."

2. The first sentence of Section 3.1 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
   "The term of this Agreement is from March 1, 2024 through July 1, 2027 unless sooner terminated pursuant to the terms of this Agreement."

3. If there is any conflict or inconsistency between the provisions of Agreement, or this Renewal and Amendment No. 1, the provisions of this Renewal and Amendment No. 1 shall govern.

4. This Renewal and Amendment is effective retroactively on March 1, 2025.

~ Signature page to follow ~

Docusign Envelope ID: B60666F7-5CA6-40DA-841E-13464AD3A2FD

IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 1 as follows:

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 7/29/2025 | 8:56 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:39 AM PDT

CONTRACTOR

Pomphrey Consulting, LLC
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: John G. Buck 5F542A85E495457...
(Signature of: Chair, President, or Vice-President)

John G. Buck, Vice President of Operations
Name and Title

Date: 6/26/2025 | 7:53 AM PDT

By: Signed by: Vicki Burton EEA9B21588C54F7...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Vicki Burton, Vice President of Education
Name and Title

Date: 6/26/2025 | 8:10 AM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-16776

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Pomphrey Consulting, LLC for trauma registrar staffing services at NMC for an amount not to exceed $250,000 with an agreement term retroactive to March 1, 2024 through February 28, 2025.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($25,000) of the original cost of the agreement per each amendment, for total contract liability of ($275,000).

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-107
Agenda Item No.: 21

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES (MORE THAN $200,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center ("COUNTY"), a general acute care teaching hospital wholly owned and operated by the County, and Pomphrey Consulting, LLC (hereinafter "CONTRACTOR", collectively COUNTY and CONTRACTOR are referred to as the "Parties").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED.** COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows:
   Trauma Registrar Staffing Services.

2. **PAYMENTS BY COUNTY.** COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of **$** 250,000.

3. **TERM OF AGREEMENT.**

   3.1. The term of this Agreement is from retroactive to March 1, 2024 through February 28, 2025 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

   3.2. COUNTY reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Scope of Services

   Exhibit B: COUNTY Duties and Responsibilities

   Exhibit C: Compensation

   Exhibit D: Monterey County Travel and Business Expense Reimbursement Policy

   Exhibit E: Business Associate Agreement

   Exhibit F: Business Automobile Liability Insurance Justification

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5. PERFORMANCE STANDARDS.

5.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.

6.4. Invoice amounts shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. COUNTY shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

7.1. During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In

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the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 COUNTY's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for COUNTY's purchase of the indicated quantity of services, then COUNTY may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents and employees from any and all claims, liability and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.2 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII,

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according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

9.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence. Justification attached as "Exhibit F"

☒ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, ***If required*** for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

9.4 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of CONTRACTOR's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance.** The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

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10.2 COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

10.3 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 Access to and Audit of Records. COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 Royalties and Inventions. COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent

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employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Pomphrey Consulting LLC Attn: Michelle Pomphrey Address: 2683 Spring Hill Rd City, State, Zip: Staunton. VA 24401 FAX: 540-448-2770 Email: michelle.pomphrey@pomphreyconsulting.com

15. MISCELLANEOUS PROVISIONS.

15.1 Conflict of Interest: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.2 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the CONTRACTOR.

15.3 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4 Contractor: The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

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15.5 Disputes: CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.6 Assignment and Subcontracting: CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement

15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of COUNTY and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.

15.13 Construction of Agreement: COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 Integration: This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

15.16 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris
4E1F837D2045481...
Charles R. Harris, CEO Natividad

Date: 4/9/2024 | 9:29 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
C0ECE1B09F444A9...
Monterey County Deputy County Counsel

Date: 2/27/2024 | 8:37 AM PST

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Jennifer Forsyth
4E7E6578754545E...
Monterey County Deputy Auditor/Controller

Date: 2/27/2024 | 9:29 AM PST

CONTRACTOR

Pomphrey Consulting, LLC
Contrctor's Business Name*** (see instructions)

By: DocuSigned by: Michelle Pomphrey
Signature of Chair, President, or Vice-President

Michelle Pomphrey, CEO
Name and Title

Date: 2/26/2024 | 5:07 PM PST

By: DocuSigned by: John G Buck
5F542A85E4954E7...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

John G Buck, Vice President of Operations
Name and Title

Date: 2/26/2024 | 4:31 PM PST

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A:

Scope of Services

I. Description of All Services to be Rendered by CONTRACTOR:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center (NMC) computer system(s) required for complete data acquisition. This would include NMC'S Meditech Electronic Medical Record (EMR).

II. CONTRACTOR Obligations:

a) CONTRACTOR shall abstract and enter the data information into the ESO TraumaOne (TRAUMA REGISTRY SOFTWARE) which is currently installed at NMC. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Definitions for the current admission year. The NTDB data dictionary can be found at https://www.facs.org/quality- programs/trauma/tqp/center-programs/ntdb/ntds/data-dictionary. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP). It is our understanding that NMC is a TQIP participating facility.

b) All data elements above and beyond the NTDB and TQIP fields will be abstracted in accordance with NMC's internal data dictionary or State/Corporate Data Dictionary. These documents should contain the data element's names, definitions, patient population to be completed on, as well as the primary and secondary EMR data source. This ensures CONTRACTOR abstracts all remaining data elements in the exact format as NMC staff for consistency of reports. If no such NMC document exists, CONTRACTOR will abstract non-NTDB/TQIP fields in accordance to NMC orientation recording. CONTRACTOR will identify appropriate data locations if no specific instructions are provided.

c) The scope of services CONTRACTOR will provide shall comply with all the above reference data elements and national definitions. All charts require hand coding/assignment of all injury codes using the Abbreviated Injury Scale (AIS 05) for Injury Severity Score (ISS) calculations by the CONTRACTOR. Accurate AIS codes ensure accurate ISS reflections, and thus accurate M, Z, & W statistics for NMC. These injury codes will be entered in the REGISTRY and will map to a corresponding ICD-10-CM injury code. The ICD-10-CM injury codes will be validated using medical record codes, as well as CONTRACTOR coding/validation. ICD-10-CM External Cause codes and ICD-10-PCS procedure codes will be assigned by medical records coding and validated by CONTRACTOR for completeness and accuracy.

d) PROCESS:

1. Establish remote access: **See "Exhibit B: COUNTY Duties and Responsibilities"** for full details.
2. Orientation Recording:
   A. REGISTRY:
      1. CONTRACTOR shall record these sessions in our Adobe Connect platform. This is a username and password protected secure system.
      2. NMC will start a "New Patient" in REGISTRY so that no individual patient data will be seen or recorded. CONTRACTOR will do short recordings for each individual data screen in NMC REGISTRY. In each recording, NMC will verbally explain all Non - NTDB/TQIP fields. This will include special instructions related

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to specific patient populations, where to find the information in EMR including primary and secondary sources.

3. All recordings will be available for the NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

B. EMR-NMC will do a short recording with CONTRACTOR to identify the following:

1. How to recall a patient and ensure correct episode of care.

2. Main Sections of EMR

   a. ED documents
   b. OR
   c. Consults
   d. Progress Notes
   e. Outside Hospital Documents
   f. Pre-hospital Documents
   g. Radiology
   h. Labs
   i. Medications – for TQIP DVT Prophylaxis
   j. Orders – Admit/DC.
   k. Other specific places to identify ICU Days, Vent Days, and other NMC specific data elements.

3. All recordings will be available for NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

C. PATIENT LIST- See "**Exhibit B: NMC DUTIES AND RESPONSIBILITIES**" for full details.

3. CONTRACTOR shall identify a Project Lead or Team Lead. This individual will be the main contact for NMC.
   i. NMC will assign CONTRACTOR Lead two (2) complex charts. CONTRACTOR Lead will complete, and NMC will validate.
   ii. NMC will provide CONTRACTOR Lead feedback on any issues identified, related to data definitions, EMR data locations or chart completeness, or closure. NMC and CONTRACTOR Lead will repeat this process until NMC is confident and Inter-Rater Reliability (IRR) score for CONTRACTOR Lead is above 95%.
4. CONTRACTOR Lead will then begin assigning charts to CONTRACTOR team and repeating the same process as outlined in #3 above for each CONTRACTOR team member. Project Lead will complete validation on CONTRACTOR team.
5. Once CONTRACTOR team is working independently, a standard 5% of their charts will be used for on- going data validation.

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6. All data validation will be entered into the Buck Data Validation System (BDVS) which will be provided to NMC at no charge. IRR scores per CONTRACTOR team member will be available to NMC as well as productivity measures for project monitoring. The standard data elements validated for each CONTRACTOR team member are:
    i. Trauma Registry Number
    ii. Date of Birth/Age
    iii. Mechanism of Injury (ICD-10-CM external cause code OR Blunt vs. Penetrating if not mapped)
    iv. All NMC initial Emergency Department/NMC vital signs needed to calculate the Revised Trauma Score (RTS)
    v. All injuries thus ensuring a valid ISS
    vi. ICU Length of Stay
    vii. Hospital Length of Stay
    viii. Comorbid Conditions as defined by NTDB/TQIP
    ix. Complications as defined by NTDB/TQIP

These elements are chosen as they have a direct impact on national benchmarking reports. The BDVS system will also be available for NMC staff to monitor their productivity and data validation. These results will be integrated into the NMC data validation reports.

7. CONTRACTOR Lead will provide weekly update reports as to the status of the project which will act as the main communication between NMC and CONTRACTOR.

8. CONTRACTOR staff will observe the following holidays:
    A. New Year's Day
    B. Memorial Day
    C. July 4th
    D. Labor Day
    E. Thanksgiving Day
    F. Christmas Day

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Exhibit B:
COUNTY DUTIES AND RESPONSIBILITIES

I. COUNTY Obligations:

The scope of work for COUNTY is based on a remote access structure. As such, the COUNTY does not have to provide the following:

- Office space or furniture
- Computers or printers
- Office supplies (paper, pens, etc.)
- Insurance
- Benefits

The COUNTY/NMC will be responsible for the following:

1) Compensation as described in the agreement and set forth in **Exhibit C "COMPENSATION".**

2) Providing CONTRACTOR with a Business Associates Agreement (BAA) attached hereto as **"Exhibit E: Business Associate Agreement".**

3) Information Technology (IT) support for remote access, logins, password changes, and resolution of all technical issues that prevent CONTRACTOR from performing the services outlined in this agreement. NMC shall provide one high level IT manager/supervisor who is assigned to CONTRACTOR. The name and contact information are to be provided by NMC at the signing of contract. NMC IT manager will work directly with CONTRACTOR. IT manager will establish all CONTRACTOR remote staff access. NMC IT manager/supervisor is responsible for communicating to CONTRACTOR all steps/processes in detail to establish remote access.

4) Start date of Agreement will be effective per **section 3.1 "TERM OF AGREEMENT"**. NMC IT manager/supervisor will then provide CONTRACTOR staff with login ID and successful computer access as defined in "**Exhibit A: Scope of Services**". Successful access is defined as the ability to remotely access all computer systems identified, including the same pathways within them as identified in NMC orientation for CONTRACTOR. If successful access isn't established within 14 business days of CONTRACTORS completion of NMC required IT forms, CONTRACTOR will notify NMC contact in writing of such delays and shall allow NMC to rectify issue within 30 days of written notification. The official start date for CONTRACTOR deliverables is date of successful access to all computer systems for all CONTRACTOR staff. This date will be noted by NMC and CONTRACTOR in writing.

5) Site Visit (if necessary): CONTRACTOR shall send Remote Staff to NMC for the ACS Consultative visit and/or ACS Verification Review upon NMC Advanced Notice Request. All travel, lodging, and worked hours cost will be incurred by NMC and shall adhere to the County of Monterey's Travel and Reimbursement Policy as defined in "**Exhibit D- Monterey County Travel and Business Expense Reimbursement Policy**".

6) Trauma Verification Consulting Services (if applicable): If NMC does not have a successful site survey and fail the verification, and decides not to become a trauma center, NMC shall provide notice of termination pursuant to **section 7.1 "TERMINATION"** of the Agreement.

7) Provide CONTRACTOR with hospital/state inclusion criteria document and hospital/state/corporate data dictionary.

8) NMC will grant CONTRACTOR project manager/team lead, report writer privileges in the REGISTRY. CONTRACTOR project manager/team lead will close each back-log month or abstraction time period assigned to CONTRACTOR. This includes a complete validation report, correction of all Level 1 and 2 errors, and review of all Level 3 and 4 warning errors with corrections if necessary.

9) NMC will identify one administrative level point of contact who will assist CONTRACTOR if issues arise such as, but not limited to, computer access or contractual addendums, etc.

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10) NMC will provide CONTRACTOR with a patient list of outstanding/concurrent patients needing data abstraction/entry. This list will be in Microsoft Excel format and located on NMC shared server. CONTRACTOR remote staff will access NMC system and sign out charts. Once patients are complete, the charts will be marked as complete and additional charts/patients will be signed out by CONTRACTOR staff. This process reduces the chance of duplication of work and allows NMC transparency in work progression. The fields for the Excel file will include: Trauma Registry Number, Account Number, Medical Record Number, Patient Last Name, Admission Date, and Hospital LOS. The patient list always remains on NMC server, ensuring all personal health information (PHI) is protected by NMC firewalls.

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Exhibit C:
COMPENSATION

I. Pricing/ Fees:

Cost Calculations:
DATA ABSTRACTION COST: Based on backlog survey and number of charts in backlog. Additional DATA VALIDATION = 5% of Backlogged Chart Assignment multiplied by Data Validation Hourly Rate (abstraction rate per hour)

COST BREAKDOWN ESTIMATES (Data Abstraction):

	Rate	Weekly Hours	# of weeks	Monthly Fee	Total
1st Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
2nd Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
Professional Set Up Fee (ONE TIME FEE)	N/A	N/A	N/A		$ 2,000
Estimated Administrative Fee:	2.5% per monthly billing cycle of actual hours worked	80 hrs. per week	N/A	$472.00	$5,664.00
				TOTAL:	**$253,104**

- Post Backlog data abstraction terms, additional PRN term staffing is agreed @ $59.00 per hour for the required work hours.
- Additional PRN staffing length of terms will not exceed 1 year and will require an instrument in writing signed by COUNTY and CONTRACTOR as stated in section 15.2 "Amendment" of the Agreement.

II. NMC shall receive the following services from CONTRACTOR at no additional cost:

1. One (1) seat in our monthly educational webinar series for trauma registrars for 1 month. (Valued at $50.)
2. One (1) seat in our monthly educational webinar series for trauma program managers for 1 months. (Valued at $50.)
3. One (1) seat in our Trauma Program Managers Mentorship Program, Trauma Registrar Mentorship, Trauma Advanced Registry Prep (TARP) or Trauma Data Analytics @ 50% off. (This is a $250.00 - $750.00 value.)

III. Additional Compensation Information:

A. IT fee

Successful IT set-up for all of CONTRACTOR remote staff as defined in "**Exhibit B: COUNTY Duties and Responsibilities**" will be billed at a rate of the agreed abstraction rate per hour.

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B. Data Abstraction/Data Entry/Data Validation Services

Data validation is a Type II criterion deficiency (CD15-10) per the ACS Resources for Optimal Care of the Injured Patient 2014 manual. ACS recommends a 5-10 % data validation platform. CONTRACTOR will perform data validation at a rate of 5% per abstractor. Data validation results and summary reports will be provided to NMC thru the BDVS system. Data Validation is a subspecialty that reviews and reports Inter-Rater Reliability (IRR) of CONTRACTOR staff. Hours during this period are billed at abstraction rate per hour. CONTRACTOR can perform data validation for NMC staff if requested at abstraction rate per hour.

C. NMC Down Time

Downtime is defined as any time in which CONTRACTOR cannot perform their duties as a direct result of: REGISTRY updates (schedule or non-schedule), or NMC computer system issues (such as server, password resets, other outages, etc.) which occur during normal business working hours may be billed at $30/person per hour. These are issues that arise solely due to NMC events. Team lead will document this and notify the Trauma Program Manager via email. (Normal business working hours are defined as Monday – Friday 8:00 am – 5:00 pm EST.)

D. Project Team Meetings

Project Team Meetings are scheduled weekly by CONTRACTOR to communicate with CONTRACTOR team, feedback from NMC, Inter-Rater Reliability (IRR), answer questions, and clarify processes. NMC is invited to participate in these meetings. Week three (3) of the project Team Meetings are moved to every 2 weeks. Project Team Meeting hours are billed at abstraction rate per hour per CONTRACTOR team member.

E. Miscellaneous Fees

Should NMC require as a condition of this Agreement that CONTRACTOR, its employees or agents be vaccinated, drug screened, background checked, have a national clinical account, vendor credentialing fees, or any other similar obligations; COUNTY shall compensate CONTRACTOR for CONTRACTOR'S actual costs incurred in complying with the NMC's requirements. This will be a separate line item on NMC invoice.

F. Administrative Fees

Monthly billing will include a 2.5% Administrative Fee of actual hours worked. Administrative Fee covers opening and maintaining Accounting & Information Technology Support.

G. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the ***Monterey County Travel and Business Expense Reimbursement Policy***. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/policies-and-procedures To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

H. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

I. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

J. COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

K. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

To ensure no break in coverage for vacation, injury, illness, etc. CONTRACTOR may assign multiple team members to this project. Federal Holidays and Vacation time can affect weekly hours provided. Notification will be provided to NMC by CONTRACTOR once Vacation Requests have been received. Coverage may be utilized to ensure full contracted hours if requested by NMC. All Vacation and Holiday hours will NOT be incurred by NMC, CONTRACTOR is obligated for these hours.

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Exhibit D:
Monterey County Travel and Business Expense Reimbursement Policy

TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

Revised December 11, 2012

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I. PURPOSE

The purpose of this policy is to establish uniform travel and business expense reimbursement policies, rules and claim procedures for persons authorized to conduct County business.

II. SCOPE

The County travel and business expense reimbursement policy applies to all County employees, members of legislative bodies established by the Board (salaried or not), non-County employees (such as contractors who receive travel and/or business expense reimbursements) and volunteers traveling on County business.

III. DEFINITIONS

Unless the context otherwise requires, the definitions contained in this part govern the construction of this policy. They do not necessarily apply in other County contexts.

A. Accountable Expense Reimbursement Plan

Reimbursements of travel and other business expenses to a County employee, contractor or volunteer will be considered to be made under an "Accountable Expense Reimbursement Plan" if the following three requirements are met:

- The person substantiates his or her expenses by submitting an expense report with
  1) the amount of the expenditure,
  2) the time and place of the travel or business entertainment,
  3) the business purpose of the expenditure, and
  4) the names and business relationship of any persons entertained.
- The person documents the expenses with supporting receipts, paid bills, etc. within 60 days after the expense is paid or incurred, and
- Excess advances, if any, are repaid to the County within 120 days after the expense is paid or incurred.

"County" means the County of Monterey.

B. County Business

"County business" means the activity directly related to the ordinary, necessary and/or required business functions of the County of Monterey ("County"). It does not include travel or expenses related to an employee's participation in the County's Educational Assistance Program or commuting expenses (a non-reimbursable expense).

C. County Employee

"County employee" means any County officer or employee, whether elected or appointed, filling a budgeted position approved by the Board of Supervisors.

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Independent contractors and their employees are not County employees.

D. County Traveler

"County traveler" means any County employee, authorized non-County employee (such as a contractor) or volunteer traveling on County business. Agency temporary employees are not covered by this policy and are not reimbursable for travel.

E. County Volunteer

"County volunteer" means a person, other than a County employee, who performs volunteer work authorized by a department or the Board of Supervisors for the County, such as a department volunteer, a commissioner or a member of an interview panel. It does not include agency temps, inmates, wards or probationers working for the County.

F. Home

"Home" means the actual dwelling place of the County traveler without regard to any other legal or mailing address.

G. Main or Regular Place of Work

"Main or regular place of work" means the principal place of business for the County employee or the principal location to which the County volunteer/contractor is assigned to work for the County. This may be the place at which s/he spends the largest portion of his/her regular County workday or working time or, in the case of field workers, the assigned location/headquarters to which s/he returns upon completion of regular or special assignments.

H. Meals

Meals that are 1) directly related or associated with bona fide County business matters and 2) approved for reimbursement by a member of the Board of Supervisors or a department head (or his or her designee) will be considered a reimbursable County business expense, if incurred in connection with out-of-County business travel or while conducting in-County business. Also, reimbursement for the provision of in-kind meals to employees on the business premises of the County will only be allowed if there is a substantial non-compensatory business reason for providing such meals to employees.

I. Temporary Work Location

"Temporary work location" means the place where the County employee, volunteer or contractor is assigned on an irregular or short-term basis. If an employee is assigned to a work location for no more than 35 work days during a calendar year, then the location is considered temporary. Attending conferences, meeting or training sessions away from the main or regular place of work by County employees or volunteers, or field

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workers conducting fieldwork at off-site locations, does not normally constitute assignment to another site. If the employee is assigned for more than 35 work days during the calendar year, the new location has become the main or regular place of work.

J. Vehicle

"Vehicle" means a motor vehicle, which can be legally operated on public highways.

IV. AUTHORIZATION TO TRAVEL

A. General Conditions

1. Travel will be authorized only when the travel is necessary and in the best interest of the County.

2. Advance authorization is required for all County travel, as specified in B & C.

3. Advance written authorization from the County Administrative Officer is required for all County travel by County volunteers, except as follows:

   a) Travel by appointed members of County boards, commissions, or advisory committees to and from the official meetings of their respective boards.

   b) Travel to and from the County for members of personnel interview panels, subject to authorization by the Human Resources Department.

   c) Travel to and from meetings, conferences and training covered by the County MHSA plan, subject to authorization by the Behavioral Health Program Manager or designee.

B. In-County Travel

County employees are authorized to travel within the County when said travel is required by the department and is considered a part of the routine, day-to-day official duties of the employee as defined and authorized by the department head or his/her designee. All other in-County travel requires advance authorization by the department head or his/her designee.

C. Out-of-County Travel

1. All travel outside of the County, but within the State of California, requires advance authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

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2. All travel outside of the State of California requires advance written authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

3. Authorization for out-of-state travel by current members of the Board of Supervisors is subject to the guidelines established by the Board.

D. Travel Requests

Travel requests that require department head authorization shall be submitted to the department head pursuant to department policy. If the traveler is requesting a travel advance, an approved "County of Monterey Travel Request" form (usually in the form of a "white claim" or "GAX"), accompanied by all documentation relative to the request, shall be forwarded to the Auditor-Controller.

V. TRAVEL EXPENSES

A. General Conditions

1. County travelers are entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals for authorized travel, subject to the conditions set forth in this Travel and Business Expense Reimbursement Policy ("Policy"), whenever the expenses are incurred as part of his/her official duties and authorized because the County traveler is required to work, attend a school, training, meeting or convention overnight at a location sufficiently distant from main or regular place of work to qualify under this policy for meal per diem and overnight lodging.

2. Notwithstanding Section 1 above, claims shall be paid subject to the rules set forth in this Policy and statutory law. Eligibility to submit a claim does not automatically entitle the claimant to reimbursement for any and all expenses.

3. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the County Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources to travel. Said travelers shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the conditions set forth in this travel policy.

4. Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the department. If cancellation/change occurs due to direction by the County traveler's department head, or his/her designee, or the County Administrative Officer, the County department will cover the penalty cost. If the cancellation/change occurs due to a traveler's personal request or obligations, the traveler will be required to pay the

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penalty. Exceptions shall be made when a traveler is unable to travel because of hospitalization, serious sickness or death of self or an immediate family member or when the department head certifies that the reason for the employee's absence was legitimate and authorized.

B. Transportation Expenses

1. General Conditions

a) Transportation expenses are the direct costs related to movement of the County traveler from authorized point of departure to destination of travel and back to the authorized point of return.

b) All transportation expenses incurred shall be based upon the most efficient, direct, and economical mode of transportation required by the occasion.

c) Whenever a time frame is established as criteria for eligibility for claiming, such as the requirements set forth for meals in Section V, subsection C. 1. d., estimated travel time shall be based upon legal vehicle speed limits, volume of traffic, and weather conditions in effect at the time of travel.

2. Vehicle Transportation

Vehicle use (both County-owned and private) by authorized County travelers during the conduct of official County business is subject to the County Vehicle Use Policy.

a) Private Vehicle

(1) Travel by private vehicle will be reimbursed at the IRS rate for business use of a personal vehicle in effect in the County at the time of travel.

(2) Authorized County travelers who travel in a vehicle other than their own may not claim mileage for business use of a private vehicle but may claim reimbursement of actual fuel expenses necessary for the trip and expended by the traveler. Receipts are required and should be claimed by the employee actually paying the expense.

(3) Authorized County travelers may not claim mileage for business use of a private vehicle in the following instances:

(a) when the County traveler is riding with someone who will be claiming reimbursement for the vehicle's use from the County or another source;

(b) when the County traveler is traveling in a County or other government

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agency vehicle;

(c) when the County traveler is traveling in a rented vehicle (paid by County);

(d) when the County traveler has been assigned a County Vehicle for home retention, is receiving an allowance or lump sum for mileage, unless specifically provided for in the terms of their agreement or contract with the County or by Board resolution.

(4) County employee mileage to the regular or main place of work from home, and back, is considered commuting and may not be claimed.

(5) County employee mileage to the temporary work location from home, and back, is considered commuting and may not be claimed except in the following cases:

(a) if the County employee is required to report to the regular or main place of work before reporting to the temporary work location, s/he is eligible for mileage from the regular or main place of work to the temporary work location;

(b) if the County employee is required to report to the regular or main place of work after working at the temporary work location and before going home, s/he is eligible for mileage from the temporary work location to the regular or main place of work.

(6) Mileage in conjunction with authorized County travel to and from a school, training, convention or meeting shall be based on the distance to the destination from the traveler's home or the regular or main place of work, whichever is less, except in the following cases:

(a) if the traveler is required to report to his/her work location before leaving, s/he is eligible for mileage to the school, training, convention/meeting from the work location.

(b) if the traveler is required to report to his/her work location before returning home, s/he is eligible for mileage based on the distance from the school, training, convention/meeting to the work location.

(7) Appointed volunteer members of County boards, commissions, or advisory committees may claim mileage to the official meetings of their respective boards from home, and back.

(8) Members of personnel interview panels may claim mileage to the panel location from their regular or main place of work, and back.

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(9) When two or more County travelers from the same department are traveling to the same site by vehicle, they should use only as many vehicles as are required to accommodate the number of travelers and business needs of the County. If a County traveler chooses to use a separate private vehicle because of personal preferences or obligations, h/she shall not be eligible for mileage or fuel reimbursement for the travel unless the department head determines that reimbursement is appropriate and justified.

(10) If a County traveler chooses to use a private vehicle instead of an alternative mode of transportation chosen by the department head because of personal preferences or obligations, his/her mileage reimbursement shall not exceed the cost of using the alternative mode of transportation unless the department head determines that the additional reimbursement is appropriate and justified.

b) County Vehicle Transportation

(1) County travelers using a County vehicle for traveling shall not be eligible for reimbursement for mileage.

(2) County travelers required to fuel a County vehicle at their own expense should claim the actual fuel costs expended by them. Receipts must accompany the claim. Vehicle license number and the odometer reading should be written on the receipts.

(3) If the County vehicle experiences mechanical failure, the County traveler shall follow the rules set forth in the "Mechanical Failure" section of the "Vehicle Operator's Handbook" located in the glove compartment of each County vehicle.

c) Rental Vehicle Transportation

(1) Vehicles may be rented for transportation at the destination point when the County traveler travels to the destination via commercial common carrier and the cost of the rental will be less than the charge for shuttle or taxi service to and from the carrier termination point to the function or hotel accommodations.

(2) Vehicles may be rented for transportation to the destination point when the cost of the rental will be less than other reasonable and available modes of transportation.

(3) If more than one County traveler from the same department is traveling to the same function, only one rental vehicle may be claimed and then only if

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it is available for use by all of the County travelers.

(4) The County traveler shall choose the least expensive size and mileage limits appropriate to the use required. Rental expenses for luxury cars, motorcycles and recreational vehicles may not be claimed.

(5) Rental cars shall be refueled prior to return to the rental agency to reduce cost to the County. Rental cars should be returned to the renting location and on time to avoid additional charges.

(6) When traveling domestically the County traveler shall waive additional vehicle insurance (except for additional driver and coverage for drivers under 25 years of age), provided that the employee has his/her own vehicle insurance coverage. When traveling internationally additional insurance should be accepted if the traveler lacks other similar coverage.

(7) An original car rental receipt showing the number of days and type of vehicle rented is required for vehicle rental claims. A copy of the receipt or a credit card receipt alone is insufficient.

d) Commercial Carrier Transportation

(1) County travelers shall seek and attempt to use the lowest rates available for the type of commercial carrier service being utilized. Whenever possible, travelers should take advantage of flight arrangements that minimize County cost (for example, purchasing a round trip ticket may be less expensive than two one-way tickets). Reservations should be made as far in advance as possible to take advantage of available discounts and special offers. Travel agents that have added ticket handling charges should be avoided.

(2) Claims for travel via commercial carrier shall be limited to the cost of travel at economy rates for the same day and time of travel or actual cost, whichever is less. County travelers may upgrade tickets, provided that the traveler and not the County pay for the difference in cost for such upgrade. The County will not reimburse any type of travel insurance unless the Department Head requests the traveler to purchase cancellation coverage. Reasonable baggage charges, if imposed by the airline, on the first checked bag are reimbursable.

(3) Claims for commercial carrier tickets shall be substantiated by an original ticket document (such as an e-ticket or passenger receipt ticket copy) showing the price, date, date/time of travel and class of travel. A copy of the credit card receipt or statement from a travel agency alone is insufficient.

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(4) County business traveler may retain frequent flyer/hotel rewards and similar program benefits. However, participation in these programs must not influence flight/hotel/etc. selection, which would result in incremental cost to the County beyond the lowest available airfare/hotel cost unless the difference is paid by the traveler. Free tickets or cash allowances for volunteering to be denied timely boarding may be retained by the traveler but no additional cost to the County or interruption of County work is allowed and any additional time required to complete the trip is to be personal time.

(5) Should a Saturday night stay reduce the cost to the County of a ticket more than the total of any additional hotel/meal/parking cost, the costs to do so are reimbursable to the traveler but should be well-documented with a clear savings to the County.

e) Private Aircraft Transportation

(1) Traveling by private aircraft which is flown by a County employee may be authorized if it will be the most efficient means of travel and the flight is incidental to the purpose of the County travel. Said use shall require the advance written approval of the County Administrative Officer. If approved, the following must be provided to the Auditor-Controller's Office in advance of the travel:

(a) a copy of the pilot's Federal Aviation Administration (FAA) pilot's certificate and instrument rating for the category and class of aircraft to be flown and the type of flying to be performed;

(b) a copy of the pilot's current medical certificate;

(c) a copy of the FAA Pilot Proficiency Award Program certificate issued to the pilot within the twelve months prior to the flight;

(d) a copy of the pilot's flight log showing a minimum of 250 hours of flight time within the twelve months prior to the flight;

(e) a certificate of public liability and property damage insurance of not less than $1,000,000 naming the County as an additional insured.

(2) Traveling by private aircraft, which is flown by a non-County employee, except for flights conducted by members of the Sheriff's Air Squadron in the performance of their official duties, is normally prohibited.

(3) County travelers who operate a private aircraft in connection with approved County travel may be reimbursed the actual cost paid by the

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traveler for fuel used by the aircraft on the trip or the County's mileage rate for each air mile at the travelers option.

f) Other Transportation Expenses

(1) The following necessary transportation expenses may be claimed at actual cost (receipt required) when directly related to transporting the County traveler to and from the business destination point:

(a) taxi, shuttle, or public transit fares;

(b) parking fees (airport long-term parking is required for travel exceeding 24 hours);

(c) bridge, road or ferry tolls;

(d) other actual transportation expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

(2) The following transportation expenses may not be claimed:

(a) traffic and parking violations;

(b) emergency repairs or non-emergency repairs on non-County vehicles;

(c) personal travel while at an out-of-County location;

(d) other actual transportation expenses determined to be unreasonable or unnecessary by the department head or the Auditor-Controller.

C. Meal Expenses

1. Eligibility for Meals

a) County employees, contractors and volunteers may be reimbursed for in-County meal costs that are 1) ordinary (not extravagant) and necessary, 2) directly related or associated with bona fide County business matters and 3) approved by a member of the Board of Supervisors or a department head (or his or her designee). County business discussions associated with a meal must be conducted in a "clear business setting".

b) County travelers involved with in-County travel that does not require an overnight stay away from their home are not eligible to claim for meals taken outside the County, unless the requirements of paragraph a) above are met, or unless provided for in a Board of Supervisor-approved written County policy.

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c) County travelers on out-of-County business travel that requires an overnight stay away from their home are eligible to claim for meals taken out-of-County.

d) County travelers are eligible to claim the meal reimbursements noted below for travel requiring overnight lodging if the total travel time (work time, plus the lunch period plus round-trip travel time) is estimated to equal or exceed 12 hours.

(1) Breakfast may be claimed if the County traveler must reasonably be away from home because of County business travel at or before 7:00 a.m.

(2) Lunch may be claimed if the County traveler must reasonably be away from home because of County business travel at or before Noon.

(3) Dinner may be claimed if the County traveler must reasonably be away from home because of County business travel at 7:00 p.m. or after.

e) Snacks are a personal expense, not reimbursable.

f) Claims for meals purchased by a County employee or volunteer on behalf of federal, state or local public officials or employees is prohibited, including any other Monterey County employees, unless provided for under other Board of Supervisor approved written County policies.

g) County travelers are not eligible to claim meals or other expenses for those persons who are not otherwise eligible to file a claim themselves for County reimbursement.

h) County travelers are not eligible to keep or claim per diem allowances for anyone other than themselves.

2. Meal Claims

a) The County maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the GSA. Said maximums include taxes and gratuities.

b) Meal expense amounts shall be calculated by the Auditor-Controller for first and last partial days of travel based on the maximum federal per diem meal rate for the appropriate meal(s).

c) Claims for out-of-County meals taken in conjunction with travel that includes an overnight stay away from the traveler's home shall be reimbursed in the form of a "per diem allowance", which means the traveler is eligible to be reimbursed at the maximum rate allowed and receipts are not required (except for Board of

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Supervisor Members). Partial days shall be reimbursed at the appropriate meal rate.

d) Allowable meal costs may only exceed the prescribed per diem rates if the meal is being served at a conference or workshop and the costs of the speaker, conference, and/or registration are included in the price. The agenda/brochure or other documentation describing the event and the price must accompany the claim to the Auditor-Controller's Office.

e) A County traveler may not claim a per diem allowance or reimbursement for any meal which is provided, or otherwise available, to the County traveler with the lodging or function, whether or not there is an actual charge for the meal. For example, if lunch is provided at the function or breakfast is included in the cost of lodging, the traveler may not claim a per diem allowance or request reimbursement for eating elsewhere. For purposes of this section, continental breakfast and meals provided during airline or other commercial carrier travel do not constitute provided meals and do not need to be deducted from the per diem allowance. A County traveler may not claim a per diem allowance for a meal that was paid for by someone else.

f) If a breakfast is included in the cost of lodging, the traveler may not claim for a breakfast meal; however, s/he may apply the next day's breakfast allowance amount towards the maximum lodging amount. For example, if the maximum lodging amount is $79.00 and the breakfast allowance is $8.00, the employee may claim up to a maximum of $87.00 for lodging which includes a continental breakfast. (For purposes of this section, continental breakfast does not constitute a provided breakfast meal.)

g) Claiming for alcoholic beverage expenses are prohibited in all cases.

h) As required by California Government Code 53232.2 Board of Supervisors members must provide receipts for all meals and will be reimbursed at the lower of the appropriate per diem amount or the actual expense.

D. Lodging Expenses

1. Eligibility for Lodging

a) County travelers are not eligible to claim for lodging for in-County functions.

b) For out-of-County business that is conducted on one business day, if the County traveler's actual time for the day is estimated to equal or exceed 12 hours (including work time, the lunch period and round-trip travel time), then the County traveler will have the option of securing one night's lodging at either the

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front-end or back-end of the trip. Illustration: A member of the County Board of Supervisors who resides in Monterey County is required to attend a one-day business meeting in Sacramento. The Board member estimates that his total time for the day without obtaining lodging would be 14 hours (8 hours of meetings, 1 hour for lunch and 5 hours for round-trip travel). The Board member will have the option of securing one night's lodging in Sacramento, either the night before the meeting, or after conclusion of the meeting.

c) For out-of-County business that requires multiple business days, if County travelers are eligible to claim lodging for the first and last evenings of an out-of-County trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

d) County travelers are not eligible to claim reimbursement of lodging costs when staying overnight as a guest of friends or relatives.

2. Lodging Claims

a) Lodging expenses shall be claimed at either the actual cost of the lodging (limited to the single occupancy rate for a single room) or the County's maximum lodging rate (Federal Per Diem Rate), whichever is less. Receipts are required. Taxes are in addition to the Federal Per Diem Rate.

b) Lodging costs may exceed the County's maximum lodging rate only when a conference, meeting or convention is being sponsored by an organization of which the County, the department or employee is a member, the lodging may be claimed at the actual cost if seminars or meetings are to be held at the particular hotel and/or events are scheduled for evening hours, and the department head has given advance written authorization.

c) An original room folio receipt, showing the number of days and the number of occupants, is required for lodging claims. A copy of the receipt, travel agency statement or a credit card receipt alone is insufficient.

d) When a room is shared with a fellow County traveler, the expense may either be prorated, and the prorated amount claimed by each County traveler, or one County traveler may claim the total expense at the multiple occupancy rate.

e) When a room is shared with a person other than a County traveler and said person will also be claiming reimbursement from the County or another source, the amount shall be prorated between the two travelers.

f) Lodging expense may not be claimed for guests of the County traveler. Where expense for a family member or friend is included in the receipt, the claim must not exceed the single occupancy rate.

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g) Special lodging, such as accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings, shall require advance written authorization of the County Administrative Officer and the Auditor-Controller.

h) County travelers should inquire when making lodging arrangements whether the County is exempt from Transient Occupancy Taxes (TOT) in the locale where they are staying and should provide the necessary form to the lodging facility, if required to do so to obtain the waiver.

h) Except when registering for lodging at a pre-arranged group rate in conjunction with a conference or meeting, County travelers shall request the government rate or lowest available eligible rate when making lodging arrangements.

i) Travelers are responsible for canceling hotel rooms before the cancellation period ends and should record the cancellation number in case of disputes. Travelers will not be reimbursed for "no-show" hotel charges unless there are unavoidable reasons for not canceling the room.

j) When multiple country travelers are traveling together and the rooms are put on one invoice, one traveler may take care of the invoice but should provide the details on who stayed in each room on the invoice.

E. Registration Fees

Conference, convention and seminar registration and tuition fees may be claimed at the actual cost, provided that the agenda/brochure or other documentation describing the event, including the price, accompanies the approved claim to the Auditor-Controller's.

F. Other Travel Expenses

1. County travelers are eligible to claim a per diem incidental allowance, limited to the maximum federal per diem incidental rate established by the IRS, for each day of travel requiring an overnight stay away from the traveler's home. Said allowance covers fees and gratuities for persons who provide services, such as food servers and luggage handlers, and does not require receipts (Except for Board of Supervisors Meals). If applicable (such as a Board of Supervisor meal), gratuities are limited to not exceed 15% of the service costs unless billed by a provider's standard policy at a higher rate.

2. County travelers are eligible to claim the following expenses at actual cost, even if they also qualify for a per diem incidental allowance. Receipts are required.

   a) County business calls (traveler must annotate purpose of call on the bill)

   b) fax machine charges incurred to send or receive documents for County use.

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c) copy machine charges incurred to copy documents for County use.

d) Internet access connection and/or usage fees away from home not to exceed $15.00 per day, if Internet access is necessary for county related business.

e) other business related expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

VI. OTHER COUNTY BUSINESS EXPENSES

A. General Guidelines

In the course of conducting County business, employees, contractors or volunteers may incur business expenses (including meal expenses pursuant to Section V.C) on behalf of the County. Such expenses will be approved for reimbursement if the disbursement meets the following requirements:

- The disbursement is for an ordinary (not extravagant) and necessary expense of conducting County business, or is an expense that is required by the County,
- The expense is approved by a member of the County Board of Supervisors, or a County department head (or his or her designee), and
- The payee accounts for the expense in accordance with the rules for a "Accountable Expense Reimbursement Plan", as set forth in the Internal Revenue Code and related regulations.

B. Taxation of Business Expense Reimbursements

If a reimbursement to an employee, contractor or volunteer meets the requirements of an "Accountable Expense Reimbursement Plan", then such reimbursement will not be reportable for federal or California income tax purposes.

VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL

A. Travel Advance Claims

1. Authorizations and Eligibility

a) Travel advances are strongly discouraged and are only available to County employees. The issuance of travel advances creates double work for departmental and auditor-controller staff and should only be used if a County travel card cannot be used or the employee does not have a personal credit card. Board of Supervisors Members are not eligible for travel advances.

The first choice is for travelers to use their personal credit cards to pay for their

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travel expenses and be reimbursed before their monthly statement arrives. Secondly, the County has arranged for the use of the Travel Card to pay many travel related expenses. Departments may use their Travel Cards to pay for airline tickets and conference registration expenses for all of their employees, not just the cardholder. Commercial carrier and conference registration expenses should not be considered in the advance calculation. The third choice would be a cash advance, if necessary.

b) Travel advances require the authorization of the department head or his/her designee, and the Auditor-Controller or his/her designee.

c) The net amount of the travel advance shall not exceed the following:

(1) 75% of the total estimate for the following travel expenses, exclusive of payments made payable directly to the vendor:

(a) lodging (documentation, including at least the confirmation number and hotel name should be provided), including hotel parking

(b) rental vehicle transportation;

(c) per diem meal allowances;

(d) long-term airport parking;

(e) other out-of-pocket expenses deemed necessary and reasonable by the Auditor-Controller.

(2) 50% of the total estimate of reimbursement for mileage for business use of a private vehicle.

d) A travel advance shall not be issued for a net amount less than $100.00 nor more than $2,000.00.

e) A travel advance shall not be issued more than thirty (30) calendar days in advance of the commencement of travel.

f) Travelers are not eligible for an additional travel advance if they have an unsettled advance, unless the advances are for travel taken consecutively. In such case, the sum total of the travel advances shall not exceed $2,000.00.

2. Travel Advance Requests

a) Requests for travel advances involving travel shall be submitted by the department head to the Auditor-Controller's Office on a completed and signed

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"County of Monterey Travel Request" form, accompanied by all documentation relative to the request, at least ten (10) working days in advance of the commencement of travel.

b) After a completed and approved "County of Monterey Travel Request" form is received by the Auditor-Controller's Office, a warrant payable to the County traveler for the amount requested shall be issued, up to the 100% maximum amount allowed pursuant to this County travel policy.

3. Travel Advance Settlements

a) Within five (5) working days of completion of travel, the County traveler shall submit all receipts for allowable travel expenses to the Department and within fifteen (15) working days of completion of travel to the Auditor-Controller's Office on a completed County claim form. Credit for the travel advance shall be subtracted from the amount owed to the County traveler.

b) In the event that allowable expenses are less than the amount of the travel advance, the County traveler shall submit the difference in the form of a check or money order made out to the "County of Monterey" with the claim form.

c) County travelers who cannot provide a required receipt shall reimburse the County for the amount of the money advanced to them for that expense.

d) Travelers who do not submit the required documentation by the time frames set forth above may lose their eligibility for future travel advances.

e) Department heads are responsible for ensuring that their employees settle their travel advance claims within the time frames set forth in subsection a) above. Non-compliance may jeopardize advances for the entire department.

B. Prepaid Vendor Claims

1. Vendor Claim Requests

a) Once travel has been authorized, claims to the vendor may be submitted for lodging and registration fees when there is sufficient time for the check to be processed before the authorized County traveler commences travel.

b) If the travel requires a "County of Monterey Travel Request" form, the approved form shall be submitted with the claim. If the original has been submitted with a previous claim, then that shall be noted on the claim form and a copy of the form attached.

c) Whenever possible, the County shall be named as registrant for events to allow

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transfer of attendance privilege when conflicts prevent the original registrant from attending.

d) The County will mail the warrant directly to the vendor unless the traveler requests that the warrant be returned to them to hand carry to the vendor.

2. Vendor Claim Settlements

a) Each vendor claim must have an original receipt attached in order to settle the claim. The required receipts for vendor claims that have been prepaid shall be forwarded to the Auditor-Controller's Office within thirty (30) calendar days after completion of travel.

b) Claims paid directly to vendors that are not substantiated by receipts within thirty (30) calendar days of the completion of travel shall be considered to be unsettled travel advances to the County traveler.

c) Department heads are responsible for ensuring that their employees return their receipts within the time frames established by this policy. Non-compliance may jeopardize the department's ability to have travel expenses paid in advance.

d) In the event that all or a portion of the prepaid cost to a vendor is reduced after the check has been processed, the County traveler is responsible for ensuring that the entire difference is returned to the County within the time frames established for settling the claim.

C. Travel Reimbursement Claims

1. After completion of travel, the County traveler shall submit a completed County claim form to the department head for authorization. After review and authorization, the department head shall submit the authorized claim, together with any required receipts, to the Auditor-Controller's Office. Said claim shall be received by the Auditor-Controller's Office within thirty (30) calendar days of the completion of travel.

2. The traveler shall not be reimbursed until s/he has signed the certification for the claim that is required by the Auditor-Controller's Office.

3. The Auditor-Controller's Office shall review the claim for compliance with applicable County policies and procedures. If approved by the Auditor-Controller's Office, the claim shall be processed and a check sent to the claimant within ten (10) working days. If denied, or denied in part, the department's contact person will be notified immediately. The Auditor-Controller has the final decision on allowable expenses.

4. No reimbursement for travel shall be paid to the employee until all required receipts

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for the travel claim have been filed with the Auditor-Controller's Office.

5. Travel reimbursements are to be paid via checks and not to be paid via petty cash.

D. Mileage Claims

1. Whenever travel requires advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the same claim form as the other expenses that apply to that travel. The only exception is if mileage is the only expense of the trip, in which case the traveler may claim the mileage on the monthly "Mileage Reimbursement" claim form.

2. Whenever travel does not require advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the "Mileage Reimbursement" claim form.

3. Mileage claims shall be submitted monthly, unless the total for the month is less than $50.00, in which case the claim may be held for an additional month. However, the claim must not be held over to the next month more than twice, regardless of the dollar amount.

4. All mileage claims for the last month of the fiscal year must be processed by year-end close.

5. Mileage Claims are to be paid via warrants and not to be paid via petty cash.

E. Reimbursement by Outside Source

1. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources, including a County vehicle, to travel. In such cases, the traveler shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the claiming conditions set forth in this travel policy. Said reimbursement shall be delivered to the Auditor-Controller's Office within thirty (30) days of the receipt of the funds.

2. If a County volunteer or non-employee will be receiving a per diem or other reimbursement of travel expenses from a source outside of the County, the volunteer shall not be eligible to claim or receive any additional reimbursement from the County for the same expenses.

F. Late Claims

If a claim for reimbursement or settlement of a travel claim is submitted after the allowed time frames, the payment to the employee shall not be made until the claim has

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been reviewed and approved by the Auditor-Controller or his/her designee.

G. Travel Card Use

Subject to the rules contained in the Travel Card Policy, travel expenses (airline, hotel, vehicle rental, gas, emergency repair of county vehicles and airport parking) may be charged to County of Monterey Travel Cards. Prohibited items include employee meals, room service, movies, cash advances, gift cards of any kind, liquor, tobacco and other items prohibited by the Travel Card Policy. Under no circumstances should personal items (even if reimbursed to the county) be charged to the travel card. Expenses paid on the travel card should not be included on a claim for reimbursement.

VII. INTERPRETATIONS

The Auditor-Controller, or his/her designee, shall be responsible for interpretations of this policy.

VIII. EXCEPTIONS

Exceptions to this policy require the approval of the Auditor-Controller or his/her designee.

IX. CONFLICT WITH RULES

In the event that this County Travel policy is in conflict with another County policy, the policy with the strictest application shall prevail.

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Exhibit E:

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2024 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Pomphrey Consulting, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Pomphrey Consulting
Attn: Michelle Pomphrey
2683 Spring Hill Rd
Staunton, VA 24401
Phone: 540-448-2770
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

5.12 **Audit or Investigations**. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

DocuSigned by:
By: Michelle Pomphrey
25053351897C4A1

Print Name Michelle Pomphrey

Print Title CEO

Date: 2/26/2024 | 5:07 PM PST

COVERED ENTITY

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...

Print Name: Charles R. Harris

Print Title: CEO

Date: 4/9/2024 | 9:29 AM PDT

Approved by the County of Monterey Board of Supervisors on 11/01/16 and revised on 12/09/16

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EXHIBIT F:
NATIVIDAD MEDICAL CENTER
INSURANCE MODIFICATION JUSTIFICATION

Vendor/Contractor Name: Pomphrey Consulting, LLC
Services Description: Trauma Registrar Staffing Services

Business Automobile Liability Insurance Requirements

Business Automobile Liability Insurance requirements are waived. CONTRACTOR shall be providing services completely remote.

Introduced: 8/8/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.

California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on March 19, 2025, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities. The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

RECOMMENDATION:

It is recommended that the Board of Supervisors:
a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.

SUMMARY/DISCUSSION:

The Salinas Road and Pajaro Project is a safety improvement project in the Pajaro community, along Porter Drive and Salinas Road, from the County limit at the Pajaro Bridge to Railroad Avenue. Safety improvements include installing Class II bike lanes (with a three-foot buffer where feasible), improving crosswalks and sidewalks at selected locations, and installing dynamic speed warning signs for traffic calming.

The 2018 Transportation Agency for Monterey County (TAMC) Pajaro to Prunedale G12 Corridor Study (Study) identified this Project as a top safety priority for the County due to the high number of collisions, increasing traffic, and resulting safety concerns.

The County received a grant to partially fund the design and construction from the Local Highway Safety Improvement Program (HSIP). The HSIP is a core federal-aid program (23 U.S.C §148), codified under the Infrastructure Investment and Jobs Act (IIJA) signed into law on November 15, 2021. It aims to significantly reduce fatalities and serious injuries on all public roads.

Community meetings were held for both the G-12 Corridor Study and this Project. During a community meeting for the project, residents expressed concerns regarding certain components, particularly the proposed road diet (a technique that reconfigures a road by reducing vehicle travel lanes and repurposing space for bicyclists and pedestrians). Based on community feedback, the need for these features were then further investigated and deleted from the final Project design. Removing safety countermeasures from an HSIP-grant funded project typically reduces its competitiveness and eligibility score for the grant. Staff consulted with Caltrans Local Assistance, who confirmed the County remained eligible for the grant despite the countermeasure removal. The final design incorporates feedback from the community.

On June 17, 2025, the Board of Supervisors adopted the Plans and Special Provisions for the project. It was subsequently advertised, and bids were received and opened on July 10, 2025. Only one bid was received from Granite Rock Company, the apparent lowest responsible and responsive bidder, at $735,253. This amount is 27.7% under the Engineer’s Estimate of $1,017,520. Construction is expected to begin in late September and end in November of 2025.

On March 19, 2025, the Public Works, Facilities, and Parks Department (PWFP) filed a Notice of Exemption for the project with the State Clearinghouse (SCH) in accordance with the California Environmental Quality Act (CEQA). The SCH, a division of the Governor’s Office of Planning and Research (OPR), coordinates State-level review of CEQA documents. The project was determined to be categorically exempt (Class 1) under CEQA Guidelines (California Code of Regulations [CCR] Section 15301 Existing Facilities) as it involves repair and maintenance of existing streets and facilities with no expansion of use.

By approving the recommendations in this board report, the Board will enable the construction of these important safety improvements.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved the proposed contract as to form, insurance and indemnification provisions and fiscal terms, respectively.

FINANCING:
The total estimated cost of the Project, including design engineering, environmental, right-of-way, and construction is $1,165,621. The County has secured HSIP funds for the Project as outlined in Attachment B, Project Budget. The Project is funded by HSIP funds in the amount of $690,963 and Measure X local funds in the amount of $474,658. There are sufficient appropriations adopted in the FY 2025-26 Road Fund 002, Appropriation Unit PFP004 budget to finance the construction phase of the Project.

Prepared by: Jose Miguel Sanchez, Assistant Engineer
Reviewed by: Chad Alinio, PE, Senior Civil Engineer
Enrique Saavedra, PE, Chief of Public Works, Facilities and Parks
Crystal Corpuz, Finance Manager II
Mary Grace Perry, Deputy County Counsel, Office of the County Counsel
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Contract, Bonds, & Insurance
Attachment B - Project Budget
Attachment C - Bid Summary
Attachment D - Location Map

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
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SUMMARY/DISCUSSION:

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Community meetings were held for both the G-12 Corridor Study and this Project. During a community meeting for the project, residents expressed concerns regarding certain components, particularly the proposed road diet (a technique that reconfigures a road by reducing vehicle travel lanes and repurposing space for bicyclists and pedestrians). Based on community feedback, the need for these features were then further investigated and deleted from the final Project design. Removing safety countermeasures from an HSIP-grant funded project typically reduces its competitiveness and eligibility score for the grant. Staff consulted with Caltrans Local Assistance, who confirmed the County remained eligible for the grant despite the countermeasure removal. The final design incorporates feedback from the community.

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By approving the recommendations in this board report, the Board will enable the construction of these important safety improvements.

OTHER AGENCY INVOLVEMENT:
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FINANCING:
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Prepared by: Jose Miguel Sanchez, Assistant Engineer
Reviewed by: Chad Alinio, PE, Senior Civil Engineer
Enrique Saavedra, PE, Chief of Public Works, Facilities and Parks
Crystal Corpuz, Finance Manager II
Mary Grace Perry, Deputy County Counsel, Office of the County Counsel
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Contract, Bonds, & Insurance
Attachment B - Project Budget
Attachment C - Bid Summary
Attachment D - Location Map

Attachment A

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CONTRACT FOR PUBLIC WORK

COUNTY OF MONTEREY

STATE OF CALIFORNIA

PROJECT NO. 1175

THIS AGREEMENT, is made in triplicate by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called the "County," and Granite Rock Company, hereinafter called the "Contractor," WITNESSETH:

(1) THE WORK

The Contractor shall do all the work and furnish all the materials, except such as are mentioned in any of the Contract documents to be furnished by the County, necessary to construct and complete in a good, workmanlike and substantial manner and to the satisfaction of the County, the following public work:

SALINAS AND PAJARO PROJECT
PROJECT NO. 1175

In accordance with this agreement and with all of the following additional Contract documents which are incorporated into and made a part of this agreement:

(a) The Standard Specifications, dated 2024, and the Standard Plans, dated 2024, including issued revision through NOVEMBER 8, 2023, of the State of California, Department of Transportation.

(b) A set of plans and cross sections (when applicable) entitled:

SALINAS AND PAJARO PROJECT
PROJECT NO. 1175

(c) The Special Provisions for the work

(d) The Notice to Bidders calling for bids

(e) The required Payment and Performance bonds

(f) Certificate of Insurance

(g) The accepted bid/proposal including the following:

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

(1) List of Subcontractors
(2) Equal Employment Opportunity Certification
(3) Public Contract Code
    Section 10285.1 Statement
    Section 10162 Questionnaire
    Section 10232 Statement
(4) Noncollusion Declaration
(5) Debarment and Suspension Certification
(6) Statement Concerning Employment Of Undocumented Aliens
(7) Contractor's Certificate As To Workers' Compensation
(8) List of Satisfied Public Agencies
(9) Bidder's Bond

All Contract documents are intended to cooperate, so that any work called for in one and not mentioned in another is to be executed the same as if mentioned in all. However, should there be any conflict between the terms of this instrument and the Contractor's bid or proposal, then this instrument shall control.

2. WORKERS' COMPENSATION

In accordance with the provisions of Section 3700 of the Labor Code, the Contractor and every Subcontractor will be required to secure the payment of compensation to his employees.

3. CONTRACT PRICE

The County shall pay the Contractor the following prices for the performance of this Contract:

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SALINAS AND PAJARO PROJECT
PROJECT NO. 1175
State Project No: HSIPSL-5944(144)
Federal Aid Project No: HSIPSL-5944(144)

BID:

Item No.	Item Code	F, S, P	Description	Unit	Quantity	Unit cost	Amount
1	050001A		CONSTRUCTION SURVEYS	LS	1	15,000	15,000
2	100001A		CONTRACTOR PUBLIC OUTREACH	LS	1	500	500
3	120090		CONSTRUCTION AREA SIGNS	LS	1	9,700	9,700
4	120100		TRAFFIC CONTROL SYSTEM	LS	1	83,195	83,195
5	130100		JOB SITE MANAGEMENT	LS	1	7,500	7,500
6	130201		WATER POLLUTION CONTROL PROGRAM	LS	1	750	750
7	130730		STREET SWEEPING	LS	1	1,000	1,000
8	130900		TEMPORARY CONCRETE WASHOUT	LS	1	850	850
9	150001A		RECONSTRUCT PLANTER BOX	LF	45	105	4,725
10	190101		ROADWAY EXCAVATION	CY	190	395	75,050
11	190142A		BASE REPAIR (DIGOUTS)	SQFT	1,000	36	36,000
12	260203		CLASS 2 AGGREGATE BASE (CY)	CY	69	298	20,562
13	390136		MICRO-SURFACING (TYPE II)	SQYD	22300	2.18	48,614
14	390136		HOT MIX ASPHALT (TYPE A)	TON	240	268	64,320
15	510503A		INLET (TYPE G3)	EA	1	6,250	6,250
16	640000X		REPLACE SIDEWALK DRAIN PIPE	LF	7	24	168
17	710050		REMOVE INLET	EA	1	1,765	1,765
18	730070		DETECTABLE WARNING SURFACE	SQFT	30	40	1,200

BID CONTINUED;

BID CONTINUED;

Item No.	Item Code	F, S, P	Description	Unit	Quantity	Unit cost	Amount
19	731505A		MINOR CONCRETE (CURB AND GUTTER)	LF	470	72	33,840
20	731517A		MINOR CONCRETE (DRIVEWAY)	SQYD	120	195	23,400
21	731522A		MINOR CONCRETE (SIDEWALK)	SQYD	120	153	18,360
22	731624A		MINOR CONCRETE (CURB RAMP)	SQYD	26	725	18,850
23	731780		REMOVE CONCRETE SIDEWALK (SQYD)	SQYD	39	58	2,262
24	731840		REMOVE CONCRETE (CURB AND GUTTER)	LF	470	14	6,580
25	750031A		INLET FRAME AND GRATE (TYPE 24-12X)	EA	1	874	874
26	780434A		PAINT CURB (2-COAT)	LF	760	1.25	950
27	120167A		TRAFFIC SEPARATOR	LF	30	250	7,500
28	810120		REMOVE PAVEMENT MARKER	EA	400	6	2,400
29	810230		PAVEMENT MARKER (RETROREFLECTIVE)	EA	390	10	3,900
30	820250		REMOVE ROADSIDE SIGN	EA	1	150	150
31	820750		FURNISH SINGLE SHEET ALUMINUM SIGN (0.063" - UNFRAMED)	SQFT	60	36	2,160
32	820840		ROADSIDE SIGN - ONE POST	EA	13	450	5,850
33	820860		INSTALL SIGN (STRAP AND SADDLE BRACKET METHOD)	EA	1	150	150
34	840503A		4" THERMOPLASTIC TRAFFIC STRIPE	LF	2,540	1.20	3,048
35	840505		6" THERMOPLASTIC TRAFFIC STRIPE	LF	12,300	1.50	18,450
36	840506		8" THERMOPLASTIC TRAFFIC STRIPE	LF	2,220	1.80	3,996
37	840507		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 8-4)	LF	2,780	1.20	3,336
38	840515		THERMOPLASTIC PAVEMENT MARKING	SQFT	2,260	10	22,600
39	840529		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 36-12)	LF	5,240	1.10	5,764

40	840530		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 17-7)	LF	1,150	1.20	1,380
41	846030		REMOVE THERMOPLASTIC TRAFFIC STRIPE	LF	9,950	1.10	10,945
42	846035		REMOVE THERMOPLASTIC PAVEMENT MARKING	SQFT	1,100	7.50	8,250
43	847149A		METHYL METHACRYLATE GREEN PAVEMENT MARKING	SQFT	3290	15	49,350
44	872130A		MODIFYING EXISTING ELECTRICAL SYSTEMS	LS	1	16,000	16,000
45	871400		RADAR SPEED FEEDBACK SIGN SYSTEMS	LS	1	34,000	34,000
46	731522A		TEMPORARY WATER POLLUTION CONTROL	LS	1	1,200	1,200
47	999990		MOBILIZATION	LS	1	52,559	52,559
					TOTAL BID	735,253	

F – Final Pay Item
S – Specialty Item
P – Partial Pay Item

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates appearing below their respective signatures.

CONTRACTOR:

Granite Rock Company
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

Peter Lemon President and CEO
Printed Name and Title

Date: 8/6/2025

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

DAN LINDSEY VP AND CFO
Printed Name and Title

Date: 8-6-25

COUNTY OF MONTEREY:

By: _____

Name: Randell Ishii, MS, PE, TE, PTOE

Title: Director of Public Works, Facilities & Parks

Dated: _____

AUDITOR-CONTROLLER
APPROVE AS TO FISCAL TERMS PROVISIONS

By: DocuSigned by: Ma Mon 2617DD077D65495...

Name: Ma Mon

Title: Chief Deputy Auditor-Controller

Date: 8/8/2025 | 3:36 PM PDT

OFFICE OF THE COUNTY COUNSEL-RISK MANAGEMENT
APPROVE AS TO FORM

By: Signed by: Mary Grace Perry 76A18B9BA72D498...

Name: Mary Grace Perry

Title: Deputy County Counsel

Date: 8/8/2025 | 11:08 AM PDT

OFFICE OF THE COUNTY COUNSEL-RISK MANAGEMENT
APPROVE AS TO INDEMNITY/ INSURANCE LANGUAGE

By: DocuSigned by: David Bolton 3E7ABEF11DD8446...

Name: David Bolton

Title: Risk Manager

Date: 8/8/2025 | 4:06 PM PDT

***INSTRUCTIONS**: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this AGREEMENT on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the AGREEMENT.

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COUNTY OF MONTEREY

Bond No.:30249248

PERFORMANCE BOND

Premium:$2,206.00

WHEREAS, the County of Monterey has awarded to Principal, Granite Rock Company as Contractor, a Contract for the following project:

SALINAS AND PAJARO PROJECT
PROJECT NO 1175

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said Contract, to secure the faithful performance of said Contract.

NOW, THEREFORE, we Granite Rock Company, as Principal, and The Continental Insurance Company as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Seven Hundred Thirty-Five Thousand Two Hundred Fifty-Three and 00/100 Dollars ($ 735, 253.00----------), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said Contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall defend, indemnify and save harmless the County, the members of its board of supervisors, and its officers, agents and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract or the call for bids, or to the work, or to the specifications.

Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the Contract, Surety may promptly remedy the default, or shall promptly:

1.1. Complete the Contract in accordance with its terms or conditions, or

1.2. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by County of Monterey and Surety of the lowest responsible

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and responsive bidder, arrange for a Contract between such bidder and County of Monterey, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of Contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorney's fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 5th day of August, 20 25, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Granite Rock Company
Principal

By _____

Name and Title Peter Lemon, President & CEO

(Corporate Seal)

The Continental Insurance Company
Surety

By _____

Name and Title Rossio Polio, Attorney-in-Fact

(Attach notary acknowledgement for all signatures and original or certified copy of unresolved appointment, attorney-in-fact certificate, power of attorney, by laws, or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.)

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Francisco)

On 08/05/2025 before me, Nathalia P. Sholl , Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Rossio Polio
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NATHALIA P. SHOLL
Notary Public - California
San Francisco County
Commission # 2512371
My Comm. Expires Feb 15, 2029

Signature NP Sholl
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rossio Polio	Signer's Name:
☐ Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:

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POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Charles R Shoemaker, Mark M Munekawa, Kelly Holtemann, Nerissa S Bartolome, Patrick R Diebel, Yvonne Roncagliolo, Valerie Takeuchi, Christina Parsons, Zachary V Overbay, Karen Rhodes, Andrew S Holloway, Rossio Polio, Christopher M Howell, Lucy M Dunham, Kathleen Earle, Erica Li, Nathalia P Sholl, Individually

of San Francisco, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the Authorizing By-Laws and Resolutions printed at the bottom of this page, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 30th day of December, 2024.

The Continental Insurance Company

Larry Kasten — Vice President

State of South Dakota, County of Minnehaha, ss:

On this 30th day of December, 2024, before me personally came Larry Kasten to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.

M. BENT NOTARY PUBLIC SOUTH DAKOTA

My Commission Expires March 2, 2026

M. Bent — Notary Public

CERTIFICATE

I, Paula Kolsrud, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Laws and Resolutions of the Board of Directors of the insurance company printed below this certificate are still in force. In testimony whereof I have hereunto and affixed the seal of the said insurance company this 5th day of August, 2025.

The Continental Insurance Company

Paula Kolsrud — Assistant Secretary

Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF THE CONTINENTAL INSURANCE COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company at a meeting held on May 10, 1995.

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective.

This Power of Attorney is signed by Larry Kasten, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of The Continental Insurance Company.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012.

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"), Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

This Power of Attorney may be signed by digital signature and sealed by a digital or otherwise electronic-formatted corporate seal under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 27th day of April, 2022:

"RESOLVED: That it is in the best interest of the Company to periodically ratify and confirm any corporate documents signed by digital signatures and to ratify and confirm the use of a digital or otherwise electronic-formatted corporate seal, each to be considered the act and deed of the Company."

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

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CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Cruz

On 8/06/2025 (Date) before me, Gladys Lee, Notary Public (Here Insert Name and Title of the Officer)

personally appeared Peter Lemon (Name(s) of Signer(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

GLADYS DIANA LEE
COMM # 2387209
MONTEREY County
California - Notary Public
Comm. Exp. Dec. 17, 2025

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Gladys D. Lee
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

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COUNTY OF MONTEREY

Bond No.:30249248
Premium: Included in Perf. Bond

PAYMENT BOND

(Civil Code Section 9550)

WHEREAS, the County of Monterey has awarded to Principal, as Contractor, a Contract for the following project:

SALINAS AND PAJARO PROJECT
PROJECT NO 1175

AND WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said Contract, to secure the payment of claims of laborers, mechanics, materialmen, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we Granite Rock Company, as Principal, and The Continental Insurance Company as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Seven Hundred Thirty-Five Thousand Two Hundred Fifty-Three and 00/100 Dollars ($ 735,253.00----------) for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, or any of Principal's heirs, executors, administrators, successors, assigns, or Subcontractors, (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and Subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract or the call for bids, or to the work, or to the specifications.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorney's fees, court costs, expert witness fees and investigation expenses.

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Bond No.:30249248

This bond inures to the benefit of any of the persons named in Civil Code Section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code Sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHERE OF the above-bounden parties have executed this instrument under their several seals this 5th day of August, 20 25, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Granite Rock Company

Principal

By _____

Name and Title Peter Lemon, President & CEO

(Corporate Seal)

The Continental Insurance Company

Surety

By _____

Name and Title Rossio Polio, Attorney-in-Fact

(Attach notary acknowledgement for all signatures and original or certified copy of unresolved appointment, attorney-in-fact certificate, power of attorney, by laws, or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.)

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Francisco)

On 08/05/2025 before me, Nathalia P. Sholl , Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Rossio Polio
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NATHALIA P. SHOLL
Notary Public - California
San Francisco County
Commission # 2512371
My Comm. Expires Feb 15, 2029

Signature NPSholl
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rossio Polio	Signer's Name:
☐ Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:

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Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Charles R Shoemaker, Mark M Munekawa, Kelly Holtemann, Nerissa S Bartolome, Patrick R Diebel, Yvonne Roncagliolo, Valerie Takeuchi, Christina Parsons, Zachary V Overbay, Karen Rhodes, Andrew S Holloway, Rossio Polio, Christopher M Howell, Lucy M Dunham, Kathleen Earle, Erica Li, Nathalia P Sholl, Individually

of San Francisco, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the Authorizing By-Laws and Resolutions printed at the bottom of this page, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 30th day of December, 2024.

The Continental Insurance Company

Larry Kasten — Vice President

State of South Dakota, County of Minnehaha, ss:

On this 30th day of December, 2024, before me personally came Larry Kasten to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.

M. BENT NOTARY PUBLIC SOUTH DAKOTA

My Commission Expires March 2, 2026

M. Bent — Notary Public

CERTIFICATE

I, Paula Kolsrud, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Laws and Resolutions of the Board of Directors of the insurance company printed below this certificate are still in force. In testimony whereof I have hereunto and affixed the seal of the said insurance company this 5th day of August, 2025.

The Continental Insurance Company

Paula Kolsrud — Assistant Secretary

Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF THE CONTINENTAL INSURANCE COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company at a meeting held on May 10, 1995.

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective.

This Power of Attorney is signed by Larry Kasten, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of The Continental Insurance Company.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012.

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"), Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

This Power of Attorney may be signed by digital signature and sealed by a digital or otherwise electronic-formatted corporate seal under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 27th day of April, 2022:

"RESOLVED: That it is in the best interest of the Company to periodically ratify and confirm any corporate documents signed by digital signatures and to ratify and confirm the use of a digital or otherwise electronic-formatted corporate seal, each to be considered the act and deed of the Company."

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

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CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Cruz

On 8/06/2025 (Date) before me, Gladys Lee, Notary Public (Here Insert Name and Title of the Officer)

personally appeared Peter Lemon (Name(s) of Signer(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

GLADYS DIANA LEE
COMM # 2387209
MONTEREY County
California - Notary Public
Comm. Exp. Dec. 17, 2025

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Gladys D. Lee
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer – Title(s): _____	☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer is Representing: _____	Signer is Representing: _____

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Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/6/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Woodruff-Sawyer & Co.
50 California Street, Floor 12
San Francisco CA 94111

CONTACT NAME: Chris Kelley
PHONE (A/C, No, Ext): 415-402-6521 **FAX (A/C, No):** 415-989-9923
E-MAIL ADDRESS: ckelley@woodruffsawyer.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : American Contractors Insurance Co RRG	12300
INSURER B : Continental Insurance Company	35289
INSURER C : ACIG Insurance Company	19984
INSURER D : Berkley Assurance Company	39462
INSURER E :	
INSURER F :	

INSURED GRANCOM-01
Granite Rock Company
PO Box 50001
Watsonville, CA 95076

COVERAGES **CERTIFICATE NUMBER:** 822493094 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	Y	Y	GL25A00056	6/1/2025	6/1/2026	EACH OCCURRENCE	$ 10,000,000
A	CLAIMS-MADE [X] OCCUR			GL25B00056 (GL Excess)	6/1/2025	6/1/2026	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
A				GL25C00056 (GL Excess)	6/1/2025	6/1/2026	MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 10,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 10,000,000
	POLICY [X] PRO-JECT [ ] LOC						PRODUCTS - COMP/OP AGG	$ 10,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	Y	Y	AL25000019	6/1/2025	6/1/2026	COMBINED SINGLE LIMIT (Ea accident)	$ 5,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB [X] OCCUR			CUE7014990956	6/1/2025	6/1/2026	EACH OCCURRENCE	$ 10,000,000
B	X EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 10,000,000
B	DED RETENTION $							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N	N/A	Y	WCA000026125	6/1/2025	6/1/2026	X PER STATUTE OTH-ER	
C	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] (Mandatory in NH)						E.L. EACH ACCIDENT	$ 1,000,000
C	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
C							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
D	Pollution/Professional Liability			PCAB50280110625	6/1/2025	6/1/2026	Per Claim/*Aggregate	$10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Professional/Pollution *Aggregate limit is total insurance available for all claims presented within the policy period for operations of insured. Limit will be reduced by payments of indemnity and/or expenses.
Re: GR Job #8746; Salinas Road and Pajaro Project, Project# 1175. The County of Monterey, Its Officers, Agents and Employees are additional insured per the attached forms, wherein coverage is Primary and Non-Contributory. Waivers of Subrogation apply per the attached forms. Policies contain a 30 day notice of cancellation and a 10 day notice of cancellation for non-payment of premium.

CERTIFICATE HOLDER

County of Monterey
Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Zoe Overbay

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ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO LIABILITY COVERAGE PART

Any person or organization you are required by contract to include as an additional insured on this policy is an "insured" but only with respect to liability arising out of the ownership, maintenance or use of an "auto" in the operations incidental to the contract and to the extent set forth below:

(1) The limit of insurance will not be greater than that required by such contract.

(2) The coverage provided to the additional insured will not be greater than that customarily provided by the policy forms specified in and required by the contract.

(3) All insuring agreements, exclusions and conditions of this policy will apply.

(4) In no event shall the coverage or limit of insurance in this coverage form be increased by such contract.

This insurance is excess to any other insurance, whether primary, excess, contingent or on any other basis, available to the additional insured unless a written contract requires that this insurance be primary or primary and non-contributing. However, this insurance is always excess to other insurance, whether primary, excess, contingent or on any other basis, when the additional insured has been added to the other insurance as an additional insured.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

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: **same as policy eff. date unless otherwise indicated above.**

Policy Effective: 6/1/2025 Policy No. AL25000019 Endorsement No.:

Insured: Granite Rock Company Premium $

Insurance Company: American Contractors Insurance Co RRG

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ADDITIONAL INSURED – AUTOMATIC STATUS AS REQUIRED BY CONTRACT – BLANKET

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Any person or organization that you are required by written contract to include as an additional insured on this policy if the contract is executed prior to the loss.

A. Section II, Who Is An Insured is amended to include as an additional insured any person or organization shown in the above SCHEDULE (called additional insured), but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your premises or your operations for the additional insured, and only to the extent and for the minimum limits required in the written contract.

B. The insurance provided to the additional insured is subject to the following limitations:

1. Unless a written contract specifically requires additional insured coverage for your completed operations, this insurance does not apply to "bodily injury" or "property damage" occurring after "your work" for the additional insured has been completed or after that portion of "your work" out of which the "bodily injury" or "property damage" arises has been put to its intended use by any person or organization, whichever occurs first.

2. Unless broader coverage is specifically required by written contract, this insurance provides additional insured coverage only for liability for "bodily injury", "property damage" or "personal and advertising injury" to the extent caused by the named insured's acts or omissions or the acts or omissions of those acting on the named insured's behalf. If broader coverage is specifically required by written contract, this insurance does not apply to "bodily injury" or "property damage" or "personal and advertising injury" arising out of the sole negligence, act, or omission of the Additional Insured unless additional insured coverage for an Additional Insured's sole negligence, act, or omission is specifically required by written contract.

3. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" for which the additional insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement except to the extent that the additional insured would have been obligated to pay such damages in the absence of the contract or agreement.

4. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional services by any insured or on any insured's behalf, including:

   a) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, drawings or specifications; or
   b) Supervisory, inspection, architectural, or engineering services.

   This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

5. This endorsement shall not apply to a person or organization if any other additional insured endorsement attached to this policy specifically applies to that person or organization.

6. The insurance afforded herein only applies to the extent permitted by applicable state law, including statutes governing additional insured coverage in the construction industry.

7. The insurance afforded to the additional insured shall not exceed the minimum limits required in the written contract.

C. In no event shall the insurance provided to the additional insured exceed the minimum coverage required by the written contract, including but not limited to minimum limits, minimum scope of coverage, or minimum duration of coverage. If a written contract or agreement requires that additional insured status be provided by the use of specified edition dates of the ISO CG2010 and/or CG2037, then the terms of that endorsement are incorporated into this endorsement as respects such additional insured and shall supersede the coverage grant and limitations in Sections A. and B. of this endorsement. In the event that CG2010 and/or CG2037 are required but no edition dates are specified, the 04/13 editions shall apply.

D. This insurance is excess to any other insurance, whether primary, excess, contingent or on any other basis, available to the additional insured unless a written contract requires that this insurance be primary or primary and non-contributing. However, this insurance is always excess to other insurance, whether primary, excess, contingent or on any other basis, when the additional insured has been added to the other insurance as an additional insured.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

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: **Same as policy effective date unless otherwise indicated above.**

Policy Effective: 6/1/2025 Policy No.: GL25A00056 Endorsement No.:

Insured: Granite Rock Company Premium $

Insurance Company: American Contractors Insurance Co. RRG

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AGGREGATE LIMITS OF INSURANCE (PER PROJECT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

It is hereby understood and agreed the General Aggregate Limit under Section III - Limits of Insurance of the Coverage Form applies separately to each of your projects away from premises owned by or rented to you.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

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: 6/1/2025 Policy No.: GL25A00056 Endorsement No.: 5

Policy Effective: 6/1/2025 Premium $

Insured: Granite Rock Company

Insurance Company: American Contractors Insurance Company Risk Retention Group

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Name of Person(s) or Organization(s):

Any person or organization for whom you have agreed by written contract to furnish this waiver.

Section IV – Commercial General Liability Conditions, 14. Transfer of Rights of Recovery Against Others to Us is amended by the addition of the following:

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

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

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: 6/1/2025 Policy No.: GL25A00056 Endorsement No.: 16

Policy Effective: 6/1/2025 Premium $

Insured: Granite Rock Company

Insurance Company: American Contractors Insurance Company Risk Retention Group

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY **WC 04 03 06**
(Ed. 04-84)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT–CALIFORNIA

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 ___*___% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	Job Description
Whomever the named insured is required by written contract executed prior to loss to waive rights of recovery against.	

★ *No Additional Premium to be applied*

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: Same as Policy Effective Date unless otherwise indicated above.
Policy Effective Date: 6/1/2025 Policy No. WCA000026125 Endorsement No.
Premium $

Insured Granite Rock Company

Carrier Name/Code: ACIG Insurance Company

Attachment B

ATTACHMENT B – PROJECT BUDGET

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
THE SALINAS ROAD AND PAJARO PROJECT
PROJECT NO. 1175

PROJECT BUDGET

Design Engineering/Environmental	$ 277,607
Right of Way	$ 8,236
Construction Management	$ 71,000
Construction Contract	$ 735,253
10% Contingency	$ 73,525
TOTAL ESTIMATED PROJECT COST:	**$ 1,165,621**

REVENUE

State Funds/Federal Funds	
Highway Safety Improvement Program (HSIP)	$ 690,963
Local Funds	
Measure X	$ 474,658
TOTAL:	**$ 1,165,621**

Attachment C

BID SUMMARY SHEET: BOARD OF SUPERVISORS, COUNTY OF MONTEREY

PROJECT: **Salinas Pajaro Project Bid Opening - Project Number 1155 (July 10, 2025, at 2:00 p.m.)**

DEPARTMENT: **Public Works, Facilities, and Parks**

PROJECT NO.: **1175**

	Bidders	Total Bid Amount
1	Graniterock 5225 Hellyer Avenue, Suite 220 San Jose, CA 95138	$ 735,253.00
2		$
3		$
4		$
5		$
6		$
7		$
8		$
9.		$

Certification: I certify that bids listed above were opened, examined, and declared by me at 2:00 p.m. on July 10, 2025, in the Clerk of the Boards office – Board Chambers, 1st Floor, Government Center, Salinas, CA.

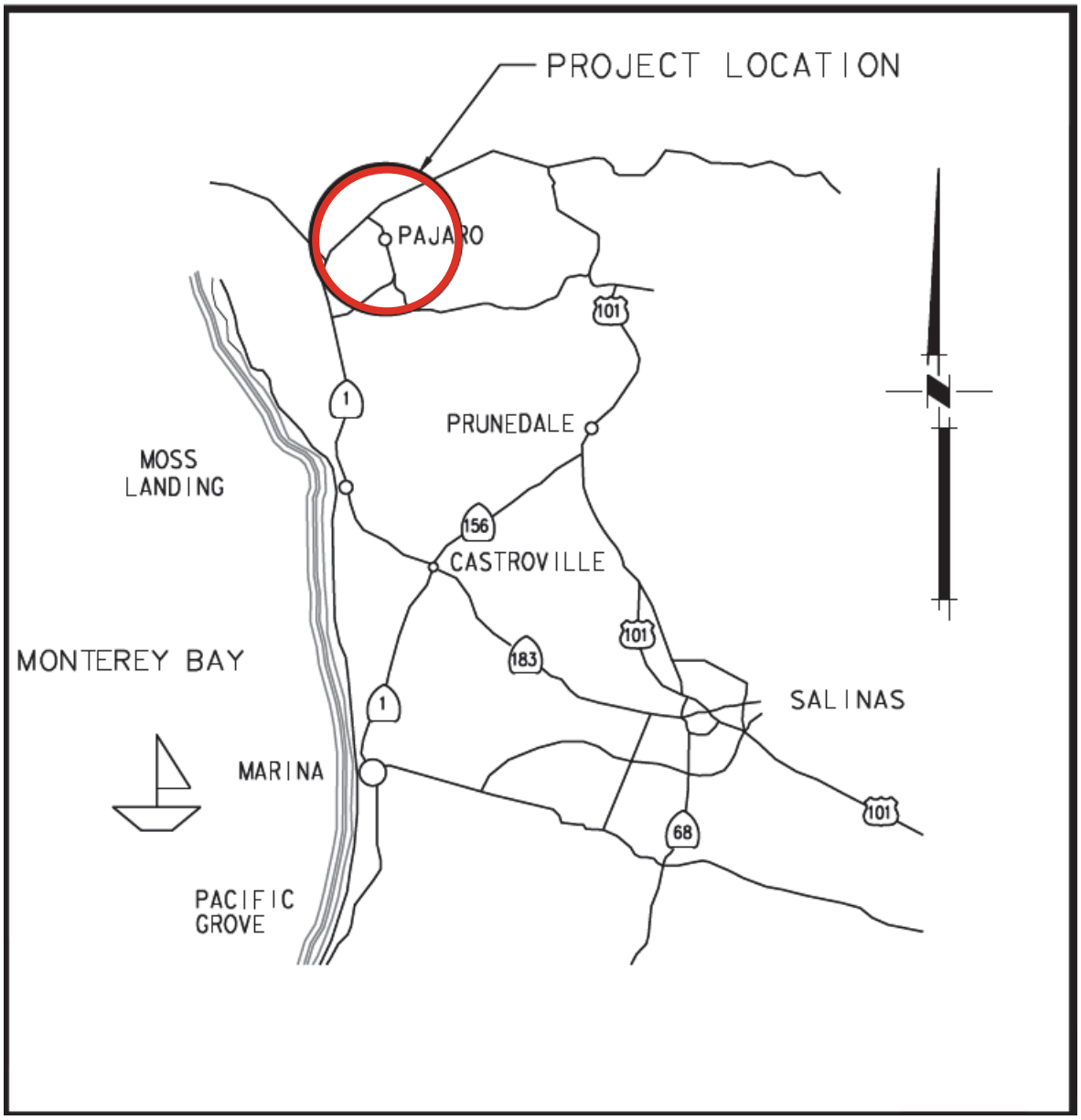
Tom Skinner for Sonia De La Rosa, Purchasing Agent

By _____
Deputy Purchasing Agent

Attachment D

ATTACHMENT A – LOCATION MAP

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
THE SALINAS ROAD AND PAJARO PROJECT
PROJECT NO. 1175



Introduced: 8/14/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

SUMMARY/DISCUSSION:

On February 18, 2025, the Board of Supervisors (Board) approved acceptance of a $2.5 million planning grant from the State of California, Clean Water State Revolving Fund (CWSRF) grant program for preliminary design and environmental work for County Service Area (CSA) 75 - Chualar Wastewater Consolidation Project (Project). For several years, the County of Monterey, Department of Public Works, Facilities and Parks (PWFP) has been interested in assessing the feasibility of connecting the Chualar Wastewater Collection System (Chualar System) to the Monterey One Water (M1W) Regional Sewer System through a potentially cost-effective, regulatory compliant, environmentally superior and sustainable process (consolidation). Consolidation would involve conveying wastewater in a new sewer pipeline from Chualar to the City of Salinas' Sewer Collection

System where it can then be delivered to M1W's treatment facility in Marina for potential re-use. Consolidation with M1W's treatment system allows the existing treatment component of the Chualar System to be eliminated and could allow other disconnected users along the new pipeline route to also connect to the regional treatment system.

The CWSRF grant will be used to evaluate two general options for the Chualar System. Option 1 is to Consolidate wastewater flows with the M1W system through the Salinas Sewer Collection System as described above. The evaluation will analyze several routes for the location of a new pipeline, assessing communities and properties that could connect to the M1W system in the future. Option 2 is to repair/upgrade the existing Chualar treatment plant. The evaluation for this option will also investigate constructing a new treatment plant in Chualar to replace the existing plant.

On March 27, 2025, PWFP solicited proposals from qualified consultants through RFP #10951 (Attachments D and E). On April 25, 2025, proposals were received from two consultants. The competitive selection process was conducted in accordance with County policies and State and Federal laws under RFP #10951. As a result of this competitive process, Wallace Group, a California Corporation, (Wallace Group) was selected to provide professional engineering services to complete Phase 1 of the Project to prepare the Project Report and Preliminary Design. Award of future tasks under Phase 2 of the CWSRF grant will be initiated upon completion of the Project Report, selection of the preferred construction project, and authorization by CWSRF to proceed with the chosen alternative.

Request for Proposals (RFP) #10951 for this Project addressed Phase 1 of the Project only. Wallace Group will prepare a Project Report and Preliminary Design (Phase 1) which will analyze Project Options 1 and 2 presented above and include sufficient information to identify a preferred Project Option.

Future Project Phases

Upon authorization by CWSRF for the preferred Project Option identified in Phase 1, the remaining planning and preliminary design (30%) Project tasks (Phase 2) will be completed under separate contract and funded by the $2.5 million CWSRF Planning Grant. The Project Report (Phase 1) and preliminary 30% design (Phase 2) will be used to submit a subsequent application to the State Water Resources Control Board (SWRCB) Division of Financial Assistance to request approximately $15 to $25 million to fund the construction of the Project.

$ 2.5 M Planning Grant
Phase 1 - Project Report and Preliminary Design (10%)
Phase 2 - Planning and Preliminary Design (30%) of Preferred Alternative
$ t.b.d. Construction Grant
Final Project Design (100%) and Construction

CWSRF Grant Agreement No. D2401012 (Attachment F) stipulates that the planning, environmental and preliminary design components of the Project shall be completed by June 30, 2027, with final reimbursement requests completed by September 30, 2028. After completion of the Planning Grant, a Construction Grant application will be submitted to CWSRF for final design and construction of the selected project.

PWFP staff recommends the Board approve the Professional Services Agreement (PSA) with Wallace Group (Attachment A) for professional engineering services for an initial term of three years effective August 26, 2025 to August 25, 2028, with the option to extend the PSA two additional years, for an amount not to exceed $571,942.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the PSA as to form and fiscal provisions, respectively. The City of Salinas and M1W are essential partners in this effort and will be involved in coordination of the consolidation project option. Intergovernmental Agreements with both agencies will be required if the consolidation project is the preferred alternative. The SWRCB Division of Financial Assistance is also involved in implementing and processing the CWSRF Grant Agreement.

Other agencies such as Caltrans, Union Pacific Railroad, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the California Central Coast Regional Water Quality Control Board, Local Agency Formation Commission, and the County of Monterey Water Resources Agency may also be involved, depending upon the preferred project and recommended alignment.

FINANCING:
The total preliminary estimated cost of the Project, including design engineering, environmental, right of way, utilities and construction is $27,500,000. The County has secured funds in the amount of $2,500,000 from CWSRF to fund the Project Environmental Planning/Design and develop/submit a CWSRF Financial Assistance Application for Construction grant program to request potentially $25,000,000 to fund the construction and construction management portion of the Project. Please refer to Attachment B, Project Budget, for further details.

This Project is included in the County's current 5-Year Capital Improvement Program. Work on Phase 1 of the Project will begin immediately upon execution of the PSA, continuing potentially through August, 2028. The subject PSA (Attachment A) is fully funded by the CWSRF grant; matching funds are not required from the County. Should changes on expected funding occur as the Project progresses, staff will return to the Board for direction as necessary.

Because the grant is structured to reimburse the County after expenses have been incurred, a temporary loan from the General Fund may be needed to cover costs until reimbursements have been received. Should this become necessary, staff will seek support of the Budget Committee and return to the Board to request approval of a temporary loan.

Prepared by: Thomas Harty, PE, Senior Civil Engineer, (831) 759-6603
Reviewed by: Benny Young, PE, Management Specialist
Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP #10951
Attachment E - Addendums No. 1-2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Introduced: 8/14/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

SUMMARY/DISCUSSION:
On February 18, 2025, the Board of Supervisors (Board) approved acceptance of a $2.5 million planning grant from the State of California, Clean Water State Revolving Fund (CWSRF) grant program for preliminary design and environmental work for County Service Area (CSA) 75 - Chualar Wastewater Consolidation Project (Project). For several years, the County of Monterey, Department of Public Works, Facilities and Parks (PWFP) has been interested in assessing the feasibility of connecting the Chualar Wastewater Collection System (Chualar System) to the Monterey One Water (M1W) Regional Sewer System through a potentially cost-effective, regulatory compliant, environmentally superior and sustainable process (consolidation). Consolidation would involve conveying wastewater in a new sewer pipeline from Chualar to the City of Salinas' Sewer Collection

System where it can then be delivered to M1W's treatment facility in Marina for potential re-use. Consolidation with M1W's treatment system allows the existing treatment component of the Chualar System to be eliminated and could allow other disconnected users along the new pipeline route to also connect to the regional treatment system.

The CWSRF grant will be used to evaluate two general options for the Chualar System. Option 1 is to Consolidate wastewater flows with the M1W system through the Salinas Sewer Collection System as described above. The evaluation will analyze several routes for the location of a new pipeline, assessing communities and properties that could connect to the M1W system in the future. Option 2 is to repair/upgrade the existing Chualar treatment plant. The evaluation for this option will also investigate constructing a new treatment plant in Chualar to replace the existing plant.

On March 27, 2025, PWFP solicited proposals from qualified consultants through RFP #10951 (Attachments D and E). On April 25, 2025, proposals were received from two consultants. The competitive selection process was conducted in accordance with County policies and State and Federal laws under RFP #10951. As a result of this competitive process, Wallace Group, a California Corporation, (Wallace Group) was selected to provide professional engineering services to complete Phase 1 of the Project to prepare the Project Report and Preliminary Design. Award of future tasks under Phase 2 of the CWSRF grant will be initiated upon completion of the Project Report, selection of the preferred construction project, and authorization by CWSRF to proceed with the chosen alternative.

Request for Proposals (RFP) #10951 for this Project addressed Phase 1 of the Project only. Wallace Group will prepare a Project Report and Preliminary Design (Phase 1) which will analyze Project Options 1 and 2 presented above and include sufficient information to identify a preferred Project Option.

Future Project Phases

Upon authorization by CWSRF for the preferred Project Option identified in Phase 1, the remaining planning and preliminary design (30%) Project tasks (Phase 2) will be completed under separate contract and funded by the $2.5 million CWSRF Planning Grant. The Project Report (Phase 1) and preliminary 30% design (Phase 2) will be used to submit a subsequent application to the State Water Resources Control Board (SWRCB) Division of Financial Assistance to request approximately $15 to $25 million to fund the construction of the Project.

$ 2.5 M Planning Grant
Phase 1 - Project Report and Preliminary Design (10%)
Phase 2 - Planning and Preliminary Design (30%) of Preferred Alternative
$ t.b.d. Construction Grant
Final Project Design (100%) and Construction

CWSRF Grant Agreement No. D2401012 (Attachment F) stipulates that the planning, environmental and preliminary design components of the Project shall be completed by June 30, 2027, with final reimbursement requests completed by September 30, 2028. After completion of the Planning Grant, a Construction Grant application will be submitted to CWSRF for final design and construction of the selected project.

PWFP staff recommends the Board approve the Professional Services Agreement (PSA) with Wallace Group (Attachment A) for professional engineering services for an initial term of three years effective August 26, 2025 to August 25, 2028, with the option to extend the PSA two additional years, for an amount not to exceed $571,942.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the PSA as to form and fiscal provisions, respectively. The City of Salinas and M1W are essential partners in this effort and will be involved in coordination of the consolidation project option. Intergovernmental Agreements with both agencies will be required if the consolidation project is the preferred alternative. The SWRCB Division of Financial Assistance is also involved in implementing and processing the CWSRF Grant Agreement.

Other agencies such as Caltrans, Union Pacific Railroad, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the California Central Coast Regional Water Quality Control Board, Local Agency Formation Commission, and the County of Monterey Water Resources Agency may also be involved, depending upon the preferred project and recommended alignment.

FINANCING:
The total preliminary estimated cost of the Project, including design engineering, environmental, right of way, utilities and construction is $27,500,000. The County has secured funds in the amount of $2,500,000 from CWSRF to fund the Project Environmental Planning/Design and develop/submit a CWSRF Financial Assistance Application for Construction grant program to request potentially $25,000,000 to fund the construction and construction management portion of the Project. Please refer to Attachment B, Project Budget, for further details.

This Project is included in the County's current 5-Year Capital Improvement Program. Work on Phase 1 of the Project will begin immediately upon execution of the PSA, continuing potentially through August, 2028. The subject PSA (Attachment A) is fully funded by the CWSRF grant; matching funds are not required from the County. Should changes on expected funding occur as the Project progresses, staff will return to the Board for direction as necessary.

Because the grant is structured to reimburse the County after expenses have been incurred, a temporary loan from the General Fund may be needed to cover costs until reimbursements have been received. Should this become necessary, staff will seek support of the Budget Committee and return to the Board to request approval of a temporary loan.

Prepared by: Thomas Harty, PE, Senior Civil Engineer, (831) 759-6603
Reviewed by: Benny Young, PE, Management Specialist
Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP #10951
Attachment E - Addendums No. 1-2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Attachment A

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COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES WITH SURVEYORS, ARCHITECTS, ENGINEERS & DESIGN PROFESSIONALS

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Wallace Group, a California Corporation,
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows:
Provide professional engineering services for the Chualar Wastewater Consolidation Project No. C-06-8676-110.

2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of $571,942.

3. **TERM OF AGREEMENT.** The term of this Agreement is from August 26, 2025 **to** August 25, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
Exhibit B Incorporation of Request for Proposals #10951, Addendums No. 1 and No. 2 to RFP #10951, and Proposal Documents, on file with the Department of Public Works, Facilities and Parks
Exhibit C Clean Water Planning Loan (Principal Forgiveness) Agreement No. D2401012 between the County of Monterey and the California State Water Resources Control Board
Exhibit D Clean Water Planning Loan Agreement No. D2401012 Line Item Budgets and Schedule

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed

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under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice; either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. INDEMNIFICATION.

8.01 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions

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shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

8.02 Indemnification for Design Professional Services Claims:
CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one (1) or more defendants to any action involving such claim or claims against County is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

8.03 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, expense or liability other than claims arising out of CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County.

9. INSURANCE.

9.01 Evidence of Coverage:
Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Division, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.02 Qualifying Insurers:
All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VII, according to the current A.M.

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Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:
The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

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Contractor's Initials Date

Primary Coverage: except for Professional Liability and Workers Compensation
For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

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Contractor's Initials Date

Workers' Compensation Waiver of Subrogation:
The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.01 Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

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10.05 Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **COMPLIANCE WITH APPLICABLE LAWS.**

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement as well as any privacy laws including, if applicable, Health Insurance Portability and Accountability Act (HIPAA). CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

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13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability, which County may incur because of CONTRACTOR's failure to pay such taxes.

15. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR's Contract Administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Thomas Harty, PE, Senior Civil Engineer	Kari Wagner, PE, Principal
Name and Title	Name and Title
1441 Schilling Place, South 2nd Floor Salinas, California 93901-4527	612 Clarion Court San Luis Obispo, California 93401
Address	Address
(831) 759-6603	(805) 544-4011
Phone	Phone

16. **MISCELLANEOUS PROVISIONS.**

16.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

16.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

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16.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

16.10 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

16.11 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.14 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

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16.15 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

16.16 Independent Contractor Compliance with Government Code Section 1097.6 (c). This section applies to those situations when a contractor/consultant is awarded a Contract for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when a Contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, contractor/consultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Contractor/consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Contractor/consultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by contractor pursuant to this agreement.

17. CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 USC Section 7001 *et seq.*; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 Counterparts. The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in PDF via email transmittal.

17.03 Form: Delivery by E-Mail or Facsimile. Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in PDF by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer
Date: _____

By: _____
Department Head (if applicable)
Date: _____

By: _____
Board of Supervisors (if applicable)
Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Michael Whilden 2C6F38174D4940D...
County Counsel
Date: 8/14/2025 | 3:09 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor/Controller
Date: 8/14/2025 | 3:55 PM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management[3]

By: DocuSigned by: David Bolton 3E7A8EF11DD8446...
David Bolton, Risk Manager
Date: 8/14/2025 | 2:57 PM PDT

CONTRACTOR

Wallace Group, a California Corporation
Contractor's Business Name*

By: DocuSigned by: Brad Brechwald C9764DF788DB47D...
(Signature of Chair, President, or Vice-President)*

Brad Brechwald, President
Name and Title
Date: 8/14/2025 | 1:19 PM PDT

By: DocuSigned by: Kari Wagner 6B87026129B14E0...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Kari Wagner, Secretary
Name and Title
Date: 8/14/2025 | 12:49 PM PDT

County Board of Supervisors' Agreement Number: _____.

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code § 313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of County Counsel is required.
[2]Approval by Auditor/Controller is required.
[3]Review by Risk Manager is required only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

To Agreement by and between
County of Monterey, hereinafter referred to as "County"
and
Wallace Group, a California Corporation, hereinafter referred to as "CONTRACTOR"

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide professional engineering services for the Chualar Wastewater Consolidation, Project No. C-06-8676-110 including Project Report and Preliminary Design to evaluate two (2) Project Options to identify and advance a preferred Project Option (Project) to ten percent (10%) design and complete the Project Report. CONTRACTOR shall provide the Project Report and Preliminary Design ten percent (10%) to the County and State Water Resources Control Board (SWRCB) as required in the Clean Water Planning Loan (Principal Forgiveness) Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

CONTRACTOR's Minimum Work Performance Percentage**:** CONTRACTOR shall perform with his own organization AGREEMENT work amounting to not less than fifty percent (50%) of the original total AGREEMENT price. CONTRACTOR shall not assign, subcontract, sell, or otherwise transfer its interest or obligations in this AGREEMENT without the prior written consent of County.

Task 0: Project Administration

CONTRACTOR shall provide project administration including the following: communicate with the SWRCB and subcontractors, submit disbursement requests, submit progress reports, and detailed and accurate record keeping to fulfill requirements described in Scope Item 8, Project Administration of the Clean Water Planning Loan Agreement between the County and SWRCB (Exhibit C).

Task 0.1 Project Management

CONTRACTOR shall provide day-to-day coordination of project activities, including scheduling and budget controls, staffing needs and coordination, County and SWRCB coordination, monthly status updates and reporting, and other related project management activities throughout the seven (7) month schedule duration, as illustrated in the Section A.2 of this Exhibit A.

Task 0.2 Kick-off Meeting

CONTRACTOR shall coordinate, schedule, facilitate, and attend a kick-off meeting with CONTRACTOR's team, Harris & Associates, Inc. (Harris) (CONTRACTOR's subcontractor), County team, and other stakeholders recommended by the County.

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CONTRACTOR shall prepare the meeting agenda and minutes. CONTRACTOR shall provide an overview of the project objectives, scope of services, schedule, deliverables, and other components of the Project to define Project direction. CONTRACTOR shall coordinate with attendees to request information required to complete the Project Report. CONTRACTOR shall provide agenda and preliminary list of requested items to County prior to the kick-off meeting to initiate the information collection process.

Task 0.3 Project Meetings

CONTRACTOR shall coordinate, schedule, facilitate, attend, prepare agendas, and meeting minutes for the project meetings and prepare responses to comments received during deliverable review meetings.

Task 0.4 Quality Control/Quality Assurance (QA/QC)

CONTRACTOR shall provide in-house QA/QC at each milestone deliverable stage. CONTRACTOR shall provide a comprehensive QA/QC review of project research, data, calculations, and report by senior or principal engineers at each milestone.

Task 0 Deliverables:

- Monthly Project status updates and reporting
- Coordinate, schedule, facilitate and attend Kickoff Meeting
- Coordinate, schedule and facilitate project meetings including County, CONTRACTOR's team, and required agencies and stakeholders
- Meeting agendas (PDF)
- Meeting minutes and responses to comments (PDF)
- Draft Project Report meeting (two [2] virtual meetings)
- Final Project Report meeting (one [1] virtual meeting)

Task 1: Project Report and Preliminary Design

Task 1.1 Project Report

CONTRACTOR shall provide a Project Report as required by the Clean Water Planning Loan Agreement between the County and SWRCB (Exhibit C). The Project Report shall define and evaluate the following Project Options to improve the Chualar Wastewater Treatment Plant (WWTP):

Project Option 1: Repair/upgrade the Chualar WWTP or construct a new WWTP.

Project Option 2: Connect the Chualar wastewater collection system with the City of Salinas wastewater collection system for treatment at the Monterey One Water Regional Treatment Plant and Recycling Facility. This option shall also evaluate options for connecting additional parcels outside the existing Chualar wastewater collection system.

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The Project Report shall include evaluation of existing system conditions, identify required permits, environmental and design work, financial analysis, project schedule, and budget (construction budget and 20-year life cycle costs) for Project Options 1 and 2.

CONTRACTOR shall include the following in the Project Report to evaluate the proposed facilities: lift station and pipeline design elements (pumps, pipeline alignment, diameter and material), electrical supply and capacity, and other key design elements, routing/alignment evaluation, review and identify easement and right of way requirements for temporary construction access and permanent/long-term access rights, review hydraulic conditions, recommendations for valving and other appurtenances, pipeline material selection, and Engineer's Opinion of Probable Construction Cost estimate. The evaluation and analysis shall include the following for Project Options 1 and 2:

- Project Costs
  - ◊ Design
  - ◊ Permitting and environmental
  - ◊ Easements/acquisitions (temporary and permanent)
  - ◊ Administrative
  - ◊ LAFCO and Proposition 218
  - ◊ Alternative option construction
  - ◊ WWTP decommissioning
  - ◊ Cost share for upgrades to City of Salinas sewer collection system
- Life Cycle and Proposed Rate Structure
  - ◊ Existing operations and maintenance for collection system
  - ◊ Projected operations and maintenance for entire system
  - ◊ Electrical costs
  - ◊ Staffing needs (identify licensure requirements)
  - ◊ Debt service
  - ◊ Capital Improvement program
  - ◊ Reserve account
  - ◊ Regulatory permitting

CONTRACTOR shall coordinate with County, City of Salinas, and Monterey One Water staff throughout the development of the Project Report to establish design criteria, standards, permit requirements, existing operating conditions, existing capacity, and other aspects of the Project in addition to review of as-built documentation and utility atlas maps to understand existing conditions.

CONTRACTOR shall review County design standards related to water mains and sanitary sewerage facilities, and develop preliminary criteria to develop the utility design, including:

- Force main average and maximum velocities
- Force main service pressure ranges, recommended pipe material and pressure class
- Appurtenances including air relief valves (ARVs), blowoffs, and isolation valves
- Hydraulic grade line
- Proposed pipeline alignments

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The Project Report will identify potential funding sources and include preliminary rate estimates under each Project Option. A 20-year life cycle cost will be included as part of the financial analysis.

CONTRACTOR's evaluation shall include the following investigations: paper survey, geotechnical, and environmental. CONTRACTOR shall identify the primary constraints regarding access and easement issues, geotechnical considerations, permitting, and biological and/or cultural resources for Project Options 1 and 2 to inform the ten percent (10%) preliminary design.

CONTRACTOR shall prepare a Draft Project Report for County and SWRCB review and comment prior to completion of the Final Project Report. CONTRACTOR shall review and respond to the comments received and prepare responses to comments in tabular format for County and SWRCB review. CONTRACTOR shall coordinate and attend two (2) meetings to review and discuss the comments and responses to the Draft Project Report and perform necessary text revisions to incorporate into the Final Project Report. CONTRACTOR shall coordinate and attend a third and final meeting with CONTRACTOR's team, County, and SWRCB prior to issuing the Final Project Report to review the report and findings. The Final Project Report shall include and comply with all requirements for a Clean Water State Revolving Fund (CWSRF) Financial Assistance Application for Construction and Clean Water Planning Loan Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

Task 1.2 Preliminary Design

CONTRACTOR shall include Preliminary Design Plans ten percent (10%) for Project Options 1 and 2 in the Project Report developed under Task 1.1. The preliminary design shall include facility and equipment sizing, siting, and alignments of proposed force mains to determine requirements for easements and environmental review in subsequent planning stages. Preliminary Design Plans (10%) shall include horizontal plan view layouts only and will not include grading/drainage design, detail sheets, traffic control, and erosion and sediment control. CONTRACTOR shall develop Preliminary Design Plans (10%) at a scale sufficient to define design intent and provide sufficient information for desktop survey and environmental review. CONTRACTOR shall utilize publicly available topographic data for the Preliminary Design Plans (Topographic survey is not included under this task.)

CONTRACTOR's Final Project Report shall include sufficient detail to identify a selected Project Option and based on the results of the analysis performed as part of the Project Report and Preliminary Design (10%). CONTRACTOR shall provide a comparative analysis between Project Options 1 and 2 based on life cycle costs, survey/access, geotechnical, environmental, and other pertinent constraints and in accordance with Project Report requirements for a CWSRF Financial Assistance Application for Construction. CONTRACTOR shall submit the Final Project Report to the County and SWRCB for review. The selected Project Option (Project) will advance to Task 2 only after the following conditions are met: Selected Project Option is approved by County and SWRCB in writing, and CONTRACTOR obtains all necessary written approvals for the Project required for a CWSRF Financial Assistance Application for Construction.

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Commencement of Task 2 is not included in the Scope of this proposal. Tasks 2-7 are included in Phase 2 of the Clean Water Planning Loan Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

Task 1 Deliverables:
- Draft Project Report (PDF format)
- Preliminary Design Plans - 10% (PDF format)
- Final Project Report (PDF format)
- Environmental Constraints Analysis (PDF format)

All written reports required under this Agreement must be delivered electronically and in hardcopy to the following individual in accordance with the Project schedule outlined herein:

Thomas Harty, PE
County of Monterey, Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, California 93901-4527
Email: hartytr@countyofmonterey.gov

A.2 CONTRACTOR shall produce the following deliverables by the dates indicated below:

Item	Description of Submittal	Estimated Due Date
1	Project Report and Preliminary Design (10%)	
	a) Draft Project Report	March 31, 2026
	b) Final Project Report	July 31, 2026

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

County shall pay an amount not to exceed **$571,942**, for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services. CONTRACTOR's compensation for services rendered shall be based on the following rates or in accordance with the following terms:

County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the "County Travel Policy". A copy of the policy is available online at https://www.countyofmonterey.gov/home/showdocument?id=69364. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

County and CONTRACTOR agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

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Under California Labor Code sections 1720 et seq., a contract for some or all of the work contemplated by this RFP may be considered a public work. If applicable, CONTRACTOR shall comply with provisions of the Labor Code (sections 1720 et seq.) governing public works, including payment of prevailing wages, payroll records, and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at:
http://www.dir.ca.gov/public-works/prevailing-wage.html

Travel expenses for Federally Funded projects shall be reimbursed in accordance with California Department of Human Resources' (CalHR) rates https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2201

CONTRACTOR warrants that the cost charged for services under the terms of this Agreement are not in excess of those charged to any other client for the same services performed by the same individuals.

B.2 CONTRACTOR'S BILLING PROCEDURES

Invoices under this Agreement shall be submitted monthly and promptly, and in accordance with Section 6, "Payment Conditions", of the Agreement. All invoices shall reference the Multi-Year Agreement (MYA) number, Project name, and/or services, and associated Delivery Order (DO) number, and an original hardcopy shall be sent to the following address or via email to PWFP-Finance-AP@countyofmonterey.gov:

County of Monterey
Department of Public Works, Facilities and Parks (PWFP) – Finance Division
1441 Schilling Place, South 2nd Floor
Salinas, California 93901-4527

Any questions pertaining to invoices under this Agreement shall be directed to the PWFP Finance Division at (831) 755-4800 or via email to: PWFP-Finance-AP@countyofmonterey.gov.

County may, in its sole discretion, terminate the Agreement or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

Wallace Group Team Resource Estimate for the
County of Monterey - Chualar WW Study — **BUDGET SUMMARY**

PHASE / TASK No.	TASK DESCRIPTION	PRINCIPAL HRS	PRINCIPAL ENGINEER HRS	DIRECTOR HRS	SENIOR ENGINEER III HRS	SENIOR ENGINEER II HRS	SENIOR ENGINEER I HRS	ENGINEER II HRS	ASSOCIATE ENGINEER II HRS	SENIOR LAND SURVEYOR II HRS	LAND SURVEYOR II HRS	PROJECT ASSISTANT III HRS	HARRIS & ASSOC. COST	EARTH SYSTEMS PACIFIC COST	OTTO ELECTRICAL COST	TUCKFIELD COST	Misc. Direct Costs COST	TOTAL LABOR HOURS HRS	WG LABOR $	TOTAL COST $
	RATE	$280	$255	$228	$225	$218	$210	$183	$150	$203	$180	$145								
0	Project Administration																			
0.1	Project Management	18				42						4	$6,500					64	$14,776	$21,276
0.2	Kick Off Meeting	6				8							$3,560				$163	14	$3,424	$7,147
0.3	Project Meetings	32				60	40	40	40				$14,000				$163	212	$43,760	$57,923
0.4	QA/QC	32	40		40								$13,190					112	$28,160	$41,350
1	Project Report and Preliminary Design																			
1.1	Project Report																			
1.1.1	Draft Project Report	20	32	30		60	40	60	260	40	60		$60,000	$10,000	$5,000	$6,500	$25,000	602	$110,980	$217,480
1.1.2	Final Project Report	4	20	5		24	20	32	120	10	20		$35,685					255	$46,278	$81,963
1.2	Preliminary Design	4				16	30	30	140				$81,300					220	$37,398	$118,698
	SUB-TOTALS	116	92	35	40	210	130	162	560	50	80	4	**$214,235**	**$10,000**	**$5,000**	**$6,500**	**$25,325**	**1,479**		**$545,836**
	WALLACE GROUP LABOR COSTS	$32,480	$23,460	$7,980	$9,000	$45,780	$27,300	$29,646	$84,000	$10,150	$14,400	$580								**$284,776**
	WALLACE GROUP DIRECT COSTS																			**$25,325**
	SUBCONSULTANT DIRECT COSTS																			**$235,735**
	DIRECT COSTS OVERHEAD @																		10%	**$26,106**
	TOTAL																			**$571,942**

Task Budgets may fluctuate within Overall Budget
* Designates Prevailing Wage

WALLACE GROUP CORPORATE

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EXHIBIT B - INCORPORATION OF REQUEST FOR PROPOSALS #10951, ADDENDUMS NO. 1 AND NO. 2 TO RFP #10951, AND PROPOSAL DOCUMENTS

The County invited submittals to Request for Proposals (RFP) through RFP #10951 to provide professional engineering services for the Chualar Wastewater Consolidation Project C-06-8676-110. Wallace Group, a California Corporation (Wallace Group) submitted a responsive and responsible Proposal to perform the services listed in RFP #10951. County selected Wallace Group to provide professional engineering services for the Chualar Wastewater Consolidation Project.

RFP #10951, Addendums No. 1 and 2 to RFP #10951, and the Proposal submitted by Wallace Group are hereby incorporated into this Agreement by this reference.

Clean Water
State Revolving Fund

CLEAN WATER PLANNING LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY ("Recipient")

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board")

CALIFORNIA
Water Boards

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION ("Project")

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y. Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

Adobe Acrobat Sign Transaction Number: CBJCHBCAABAAD1aLX2UQpmzyboOFqjdbw5JKEQRFNCJ2

EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	 N/A	 August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	 N/A	 N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

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Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:
  a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
  b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
  c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
  d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
  e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.
- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

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

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- "Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.
- "Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- "Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.
- "Event of Default" means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- "Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

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proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

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xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

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EXHIBIT B CLEAN WATER PLANNING LOAN AGREEMENT NO D2401012
LINE ITEM BUDGETS AND SCHEDULE

CHUALAR WASTEWATER CONSOLIDATION PROJECT (C-06-8676-110)

Task No.	Description	Project Funding Amount	Total Estimated Costs	Projected Costs - Phase I (25.07.02 Proposal)	Change in Line Item Budgets from Agreement No. D2401012	Proposed Phase I Budget (25.07.02)	Proposed Phase II Budget (25.07.02)	Phase I + II Total
1	Project Report and Preliminary Design (10%)	$ 420,000	$ 420,000	$ 440,490	$ 25,000	**$ 445,000**	$ -	$ 445,000
2	Plans and Specifications (30%)	$ 540,000	$ 540,000	$ -		**$ -**	$ 540,000	$ 540,000
3	Environmental Documents	$ 380,000	$ 380,000	$ -		**$ -**	$ 380,000	$ 380,000
4	Governance Structure and Inter-Agency Agreemen	$ 310,000	$ 310,000	$ -		**$ -**	$ 310,000	$ 310,000
5	Easement Identification	$ 310,000	$ 310,000	$ -	$ (25,000)	**$ -**	$ 285,000	$ 285,000
6	Permit and Related Studies	$ 140,000	$ 140,000	$ -		**$ -**	$ 140,000	$ 140,000
7	Financial Addistance Applications	$ 50,000	$ 50,000	$ -		**$ -**	$ 50,000	$ 50,000
8	Project Administration	$ 350,000	$ 350,000	$ 131,452		**$ 131,500**	$ 218,500	$ 350,000
	TOTAL	$ 2,500,000	$ 2,500,000	$ 571,942		**$ 576,500**	$ 1,923,500	$ 2,500,000

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ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE	**REVISED ESTIMATED DUE DATE**
	EXHIBIT A - SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT			
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 ~~30-Sep-25~~ ~~31-Dec-25~~	 **31-Mar-26** **31-Jul-26**
2	Plans and Specifications a) 30% Draft Plans, Specifications and Engineer's Opinion of Probable Cost	N/A	31-May-26	t.b.d.
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 31-Jul-26 30-Nov-26	t.b.d.
4	Governance Structure and Agency Agreements (if Applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 30-Apr-26 30-Apr-28	t.b.d.
5	Easement Identification a) Easement Summary Report	 N/A	 8/10/2026	t.b.d.
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (if Applicable)	 N/A N/A	 22-Feb-27 17-May-27	t.b.d.
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 31-Mar-27 30-Jun-27	t.b.d.
8	Project Administration N/A	 N/A	 N/A	
9	Work Completion Date	30-Jun-28	N/A	
	EXHIBIT B - REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS			
10	Reimbursement Requests	As Needed		
11	Final Reimbursement Request	30-Sep-28	N/A	
	REPORTS			
12	Progress Reports	Quarterly		
13	As Needed Reports	As Needed		

ATTACHMENT B – PROJECT BUDGET

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
CHUALAR WASTEWATER CONSOLIDATION PROJECT C-06-8676-110,
PROJECT NO. 8168 __

PROJECT BUDGET

Environmental and Preliminary Design Engineering		$2,500,000
Final Design Engineering (expected to be fully funded)		$500,000
Right of Way/Utilities (expected to be fully funded)		$500,000
Construction Management (expected to be fully funded)		$2,000,000
Construction Contract (expected to be fully funded)		
Engineer's Estimate	$20,000,000	
10% Contingency	$2,000,000	
		$22,000,000
TOTAL ESTIMATED PROJECT COST:		**$27,500,000**

REVENUE

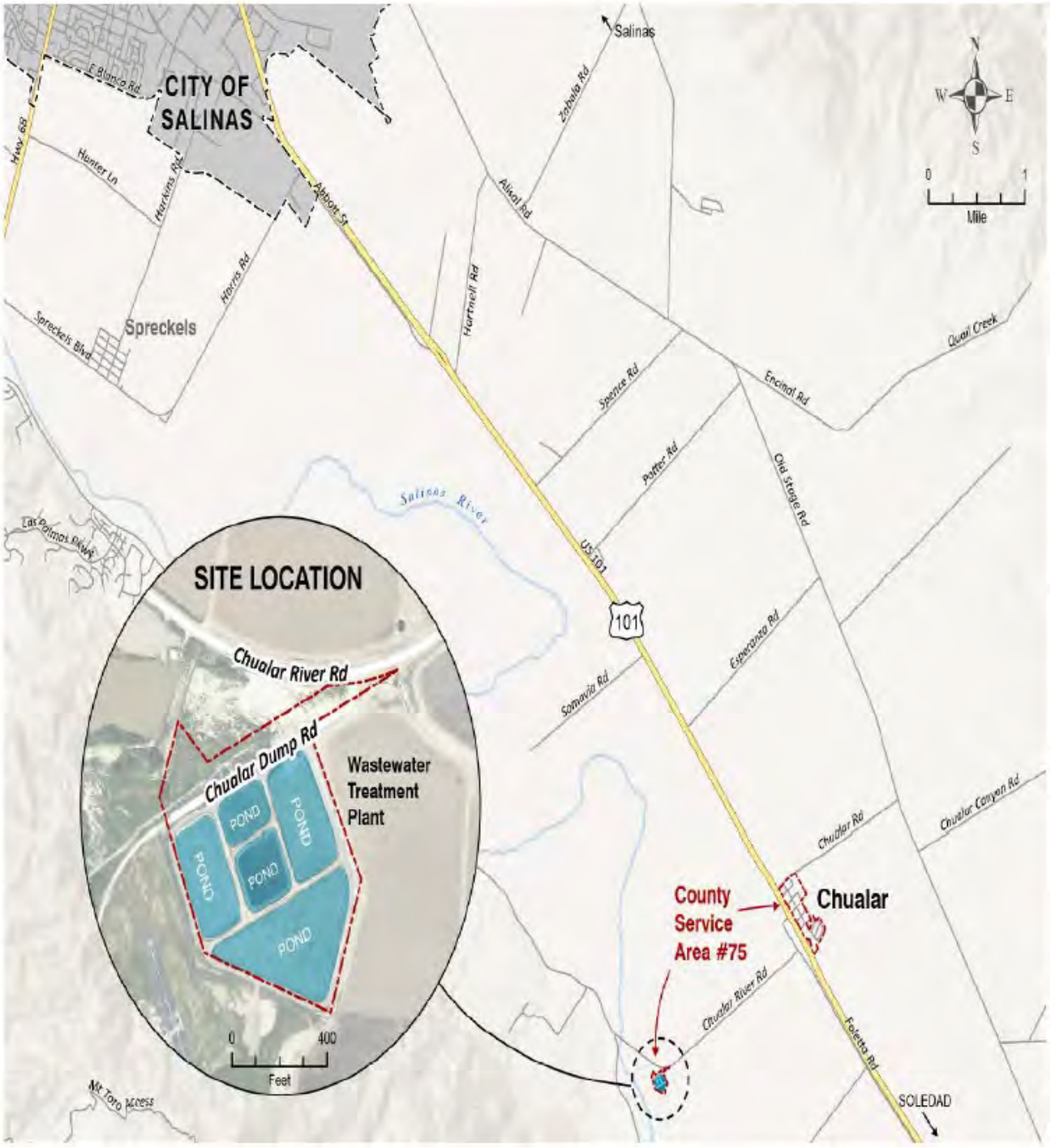
State Funds	
CWSRF Planning Grant Funds	$2,500,000
Local Funds	$0
Expected to be Fully Funded:	
CWSRF Construction Grant Funds	$25,000,000
TOTAL:	**$27,500,000**

Note: Project Budget amounts represent grant funding amounts. If a budget for one phase is exceeded, funds from other phases of the project (i.e., Right of Way/Utilities) will be utilized if available. If available grant funding is insufficient, staff will return to the Board of Supervisors for direction.

Attachment C

Location Map

ATTACHMENT C – LOCATION MAP



Attachment D

Request for Proposals #10951

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COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
1441 SCHILLING PLACE, SOUTH 2ND FLOOR
SALINAS, CA 93901-4527
(831) 755-4800

REQUEST FOR PROPOSALS #10951

For

PROFESSIONAL ENGINEERING SERVICES FOR CHUALAR WASTEWATER CONSOLIDATION PROJECT NO. C-06-8676-110

Proposals are due by 3:00 p.m. PST on Friday, April 25, 2025

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
SUSAN K. BLITCH, COUNTY COUNSEL

Signed by:
Mary Grace Perry
76A18B9BA72D498...

MARY GRACE PERRY
DEPUTY COUNTY COUNSEL

3/20/2025 | 3:24 PM PDT

Date

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SOLICITATION DETAILS SECTION

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1.0 INTENT

1.1 The County of Monterey Public Works, Facilities and Parks Department (PWFP), hereinafter referred to as "County", is soliciting proposals to provide **Professional Engineering Services for the Chualar Wastewater Consolidation, Project No. C-06-8676-110**, hereinafter referred to as "Project", as outlined within Section 5.0, Scope of Work. The purpose of this solicitation is to provide the County with a qualified firm or firms to provide engineering services, hereinafter referred to as "CONTRACTOR" or "CONTRACTORS". The objective of the CONTRACTOR is to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

1.2 This solicitation is intended for a single, exclusive AGREEMENT.

2.0 BACKGROUND

2.1 The community of Chualar is an unincorporated census designated, disadvantaged community, within the unincorporated area of the County of Monterey which is within the jurisdictional boundaries of County Service Area 75 (CSA 75 – Chualar). The CSA-75 Chualar Wastewater System consists of a wastewater collection system within the community of Chualar and a wastewater treatment facility (WWTF) approximately two miles west of Chualar. The WWTF utilizes a series of unlined oxidation ponds to treat and dispose of wastewater. The ponds are adjacent to the Salinas River within the 100-year flood plain with no mechanism for reclaiming water for future reuse. CSA 75 is currently operating near capacity and cannot accept new wastewater connections.
The County of Monterey has long been interested in assessing the possibility of phasing out the oxidation ponds through implementation of a potentially cost-effective, regulatory compliant, environmentally superior, and sustainable replacement wastewater treatment system allowing for recycled wastewater reuse and facilitating the ability for the community of Chualar to expand.

On December 23, 2024, the Director PWFP received a formal grant offer and Agreement from the State Water Board to provide for a $2.5 million, 100% planning grant from the State of California - Clean Water State Revolving Fund (CWSRF) to support Chualar, a disadvantaged community. The Agreement was executed on January 23, 2025, and formally ratified and accepted by the Board of Supervisors on February 18, 2025.

The funding will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant by constructing a new wastewater treatment plant, and/or connecting the Chualar wastewater collection system with the City of Salinas collection system for

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treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

Preliminary design, environmental documents, probable cost estimate (including 20-year life cycle costs) and inter-agency agreements will be completed for the selected construction project. The work to be completed will include all technical materials necessary to comply with the requirements for preparation and submittal of a CWSRF Financial Assistance Application for actual construction of the selected project.

AGREEMENT NO. D2401012 BY AND BETWEEN COUNTY OF MONTEREY AND CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board") is attached for reference in compiling responses to this Request for Proposals.

2.2 The Request for Proposals (RFP) #10951 seeks qualified CONTRACTORS who will abide by all local, state, and federal regulations and who are also capable of providing all necessary materials and supervision in the course of providing professional engineering services for the Project.

3.0 CALENDAR OF EVENTS

3.1	Release RFP	March 27, 2025
3.2	Deadline for Written Questions	5:00 p.m., PST, April 11, 2025
3.3	Posted Response to Written Questions	5:00 p.m., PST, April 16, 2025
3.4	Proposal Submittal Deadline	3:00 p.m., PST, April 25, 2025
3.5	Estimated Notification of Selection	May 2025
3.6	Estimated AGREEMENT Date	June 2025

This schedule is subject to change as necessary.

3.7 **FUTURE ADDENDA:** CONTRACTORS who received notification of this solicitation by means other than through a County mailing shall contact the person designated in the COUNTY POINT OF CONTACT herein to request to be added to the mailing list. Inclusion on the mailing list is the only way to ensure timely notification of any addenda and/or information that may be issued prior to the solicitation submittal date. **IT IS EACH CONTRACTOR'S SOLE RESPONSIBILITY TO ENSURE THAT THEY RECEIVE ANY AND ALL ADDENDA FOR THIS RFP** by either informing the County of their mailing information or by regularly checking the County's Solicitation

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Center web page at https://www.co.monterey.ca.us/government/departments-a-h/administrative-office/contracts-purchasing/solicitation-center. Addenda will be posted on the website the day they are released.

4.0 COUNTY POINT OF CONTACT

4.1 Questions and correspondence regarding this solicitation shall be directed to:

Primary Contact for the County:

Benny J. Young, Management Specialist
County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place South, 2nd Floor
Salinas, CA 93901-4527
Phone: (831) 755-5019
Email: youngb@countyofmonterey.gov

4.2 All questions regarding this solicitation shall be submitted in writing (email is acceptable and preferable). Answers to questions received by the County will be communicated to all known interested CONTRACTORS after the deadline for receipt of questions.

4.3 The deadline for submitting written questions regarding this solicitation is indicated in the **CALENDAR OF EVENTS** herein. Questions submitted after the deadline will not be answered.

4.4 Only answers to questions communicated by formal written addenda will be binding.

4.5 Prospective CONTRACTOR(s) shall not contact County officers or employees with questions or suggestions regarding this solicitation except through the primary contact person listed above. **Any unauthorized contact may be considered undue pressure and cause for disqualification of the CONTRACTOR(s).**

5.0 SCOPE OF WORK

1. Project Report and Preliminary Design

1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project

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and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction.

Item 1 Submittals:

a) **Draft Project Report – Estimated due date to State Water Board: 09/30/25.**
b) **Final Project Report – Estimated due date to State Water Board: 12/31/25.**

2. Plans and Specifications

2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project.

Item 2 Submittals:

a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost **Estimated due date to State Water Board: 5/31/26.**

3. Environmental Documents

3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt.

Item 3 Submittals:

a) Draft Environmental Documents - **Estimated due date to State Water Board 7/31/26.**
b) Final Environmental Documents - **Estimated due date to State Water Board: 11/30/26.**

4. Governance Structure and Agency Agreements (if applicable)

4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project.

Item 4 Submittals:

a) Draft Agency Agreements - **Estimated due date to State Water Board: 4/30/26.**
b) Final Agency Agreements - **Estimated due date to State Water Board: 4/30/28.**

5. Easement Identification

5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project.

Item 5 Submittal:

a) Easement Summary Report - **Estimated due date to State Water Board: 8/10/26.**

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6. Permits and Related Studies

6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications.

Item 6 Submittal:

a) Draft Permit Applications - **Estimated due date to State Water Board: 2/22/27.**

b) Permit Applications as Submitted (If applicable) - **Estimated due date to State Water Board 5/17/27.**

7. Financial Assistance Applications

7.1 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following:

a) CWSRF Potential Flags Worksheet;

b) Three years of audited financial statements or tax returns;

c) Budget projections for at least the next two fiscal years;

d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt.

7.2 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project.

Item 7 Submittals:

a) Draft Financial Package for Construction - **Estimated due date to State Water Board: 3/31/27.**

b) Financial Assistance Application for Construction - **Estimated due date to State Water Board: 6/31/27.**

8. Project Administration

8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill requirements of the Agreement.

6.0 AGREEMENT TERM

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6.1 The term of the AGREEMENT will be for a period of three (3) years with the option to extend the AGREEMENT for two (2) additional years.

6.1.1 County is not required to state a reason if it elects not to renew.

6.2 If the AGREEMENT includes options for renewal or extension, CONTRACTOR must commence negotiations for any desired rate changes a minimum of ninety (90) days prior to the expiration of the AGREEMENT.

6.2.1 Both parties must agree upon rate extension(s) or changes in writing.

6.3 The AGREEMENT shall contain a clause that provides that County reserves the right to cancel the AGREEMENT, or any extension of the AGREEMENT, without cause, with a thirty (30) day written notice, or immediately with cause.

7.0 LICENSING/SECURITY REQUIREMENTS

7.1 CONTRACTOR shall ensure that all services, costs, and materials must, at minimum, meet the specifications for the State of California and the Division of Occupational Safety and Health (Cal-OSHA) regulations, as applicable.

7.2 CONTRACTOR shall ensure that insurance and required licenses under both state and local jurisdictions are current during the full term of the AGREEMENT.

8.0 PROPOSAL/QUALIFICATIONS PACKAGE REQUIREMENTS

8.1 CONTENT AND LAYOUT:

8.1.1 CONTRACTOR should provide the information as requested and as applicable to the proposed goods and services. The proposal package shall be organized as per the table below; headings and section numbering utilized in the proposal package shall be the same as those identified in the table. Proposal packages shall include, at a minimum, but not limited to, the following information in the format indicated:

Proposal or Qualifications Package Layout; Organize and Number Sections as Follows:	
Section 1	COVER LETTER (INCLUDING CONTACT/FIRM INFORMATION)
	SIGNED SIGNATURE PAGE
	SIGNED ADDENDA (IF ANY)

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Section 2	PROPOSED SCOPE OF WORK QUALIFICATIONS
	LICENSING AND WORK QUALIFICATIONS
Section 3	ASSIGNED KEY STAFF RESUMES
	RELATED PROJECT EXPERIENCE
	REFERENCES
Section 4	ENVIRONMENTALLY FRIENDLY PRACTICES
Section 5	PRICING (ATTACHMENT B) **(SUBMIT FEE SCHEDULE AND COST PROPOSAL IN SEPARATE SEALED ENVELOPE)**
Section 6	EXCEPTIONS
Section 7	APPENDIX

Section 1 Requirements:

Cover Letter: All proposals must be accompanied by a cover letter not exceeding two (2) pages and should provide contact and firm information as follows:

Contact Information: The name, address, and telephone number of CONTRACTOR's primary contact person during the solicitation process through to potential AGREEMENT award.

Firm Information: Description of the type of organization (e.g., corporation, partnership, including joint venture teams and subcontractors) and how many years it has been in existence.

Signed Signature Page and Signed Addenda (if any addenda were released for this solicitation). Any proposal or qualifications package submitted without this page will be deemed non-responsive. All signatures must be manual and in BLUE ink. All prices and notations must be typed or written in BLUE ink. Errors may be crossed out and corrections printed in BLUE ink or typed adjacent, and must be initialed in BLUE ink by the person signing the proposal.

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Section 2, Pre-Qualifications/Licensing Requirements:

Pre-Qualifications/Licensing: CONTRACTOR must acknowledge in writing that it meets all the pre-qualifications and licensing requirements as set forth in Section 7.0, Licensing/Security Requirements, herein.

Section 3, Project Experience & References:

Key Staff Persons: CONTRACTOR shall identify key staff and their qualifications and experience proposed for the service identified herein.

Experience & References: CONTRACTOR shall describe at least three (3) similar projects for which it provided services like the scope of work described

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herein. Please include phone number and email address if possible as the County will conduct reference checks using this information.

Violations: CONTRACTOR shall submit copies of all notices of violations, corrective action notices, enforcement actions or orders, warning notices, writings, or other forms of permit violation/non-compliance documentation (such as Cal-OSHA notices) received by CONTRACTOR, or any business organization owned or operated by the CONTRACTOR, which are its parent company and/or subsidiaries, from any public agency during 2020 up to and including the present day.

Section 4, Environmentally Friendly Practices:

CONTRACTOR shall summarize all environmentally friendly practices it adheres to while doing business as relevant to the County's Climate-Friendly Purchasing Policy at:
https://www.co.monterey.ca.us/home/showpublisheddocument/22305/636241459023900000.

CONTRACTOR shall indicate whether it is a 'Green Certified' Business and state which governing authority administered the certification.

Section 5, Pricing: (ATTACHMENT B) (Submit in separate sealed envelope.)

CONTRACTOR shall complete and submit ATTACHMENT B – PRICING attached hereto, which includes a Fee Schedule and Cost Proposal by task, and submit within their proposal package in a separate sealed envelope. Fees may be negotiated after the tentative award announcement is made for this solicitation. If fee negotiations with the firm determined most qualified are not successful, and/or the fees discussed are outside the budgetary constraints for the Project, County reserves the right to suspend negotiations with the most qualified firm, and proceed to second most qualified firm, and so on.

Selection of CONTRACTOR shall be based on qualifications per the Selection Criteria listed herein.

Section 6, Exceptions:

Submit all exceptions to this solicitation on separate pages, and clearly identify the top of each page with "EXCEPTION TO COUNTY OF MONTEREY REQUEST FOR PROPOSALS #10951". Each exception shall reference the page number and section number, as appropriate. CONTRACTOR should note that the submittal of an exception does not obligate the County to revise the terms of the RFP or AGREEMENT.

Section 7, Appendix:

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Appendices: CONTRACTOR may provide any additional information that it believes to be applicable to this proposal or qualifications package and include such information in an Appendix section.

8.2 **ADDITONAL REQUIREMENTS:** To be considered "responsive", submitted proposal packages shall adhere to the following:

8.2.1 Three (3) sets of the proposal package (one [1] original proposal marked "Original" plus two [2] copies) shall be submitted in response to this solicitation. Each copy shall include a cover indicating the company name submitting, and reference to "RFP #10951". In addition, submit one (1) electronic version of the entire proposal package on a digital media, or USB memory stick. Additional copies may be requested by the County at its discretion.

8.2.2 Proposal package shall be prepared on 8-1/2" x 11" paper, preferably duplex printed bound with front and back covers. Fold out charts, tables, spreadsheets, brochures, pamphlets, and other pertinent information or work product examples may be included as appendices.

8.2.3 Reproductions of the County of Monterey Seal shall not be used in any documents submitted in response to this solicitation.

8.2.4 CONTRACTOR shall not use white-out or a similar correction product to make late changes to their proposal or qualifications package but may instead line out and initial in BLUE ink any item which no longer is applicable or accurate.

8.2.5 To validate your proposal or qualifications package, **submit the SIGNATURE PAGE (contained herein) with your proposal**. Proposal packages submitted without that page will be deemed non-responsive. Proposal signature must be manual, in BLUE ink, and included with the original copy of the proposal. Photocopies of the Signature Page may be inserted into the remaining proposal copies. All prices and notations must be typed or written in BLUE ink in the original proposal copy as well. Errors may be crossed out and corrections printed in BLUE ink or typed adjacent and must be initialed in BLUE ink by the person signing the proposal.

8.3 **CONFIDENTIAL OR PROPRIETARY CONTENT:** All proposals become the property of the County, which is a public agency subject to disclosure requirements of the California Public Records Act ("CPRA"). If CONTRACTOR proprietary information is contained in documents submitted to County, and CONTRACTOR claims that such information falls within one (1) or more CPRA exemptions, CONTRACTOR must clearly mark such information "CONFIDENTIAL AND PROPRIETARY" and identify the specific lines containing the information. In the event of a request for such information, the County will make best efforts to provide notice to CONTRACTOR prior to such disclosure. If CONTRACTOR contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in the County of

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Monterey before the County's deadline for responding to the CPRA request. If CONTRACTOR fails to obtain such remedy within County's deadline for responding to the CPRA request, County may disclose the requested information. CONTRACTOR further agrees that it shall defend, indemnify, and hold County harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and attorney's fees) that may result from denial by County of a CPRA request for information arising from any representation, or any action (or inaction), by the CONTRACTOR.

9.0 SUBMITTAL INSTRUCTIONS & CONDITIONS

9.1 Submittal Identification Requirements: ALL SUBMITTALS MAILED OR DELIVERED CONTAINING PROPOSAL PACKAGES MUST BE SEALED AND BEAR ON THE OUTSIDE, PROMINENTLY DISPLAYED IN THE LOWER LEFT CORNER THE SOLICITATION NUMBER: **RFP #10951 and CONTRACTOR'S COMPANY NAME.**

9.2 Mailing Address: Proposal packages shall be mailed to County at the mailing address indicated on the **Signature Page** of this solicitation.

9.3 Due Date: Proposal packages must be received by County ON OR BEFORE the time and date specified, at the location and to the person specified on the **Signature Page** of this solicitation. It is the sole responsibility of the CONTRACTOR to ensure that the proposal package is received at or before the specified time. Postmarks and facsimiles are not acceptable. Proposals received after the deadline shall be rejected and returned unopened.

9.4 Shipping Costs: Unless stated otherwise, the Free on Board (FOB) for receivables shall be destination. Charges for transportation, containers, packaging, and other related shipping costs shall be borne by the shipper.

9.5 Acceptance: Proposals are subject to acceptance at any time within ninety (90) days after opening. County reserves the right to reject any and all proposal packages, or part of any proposal package, to postpone the scheduled deadline date(s), to make an award in its own best interest, and to waive any informalities or technicalities that do not significantly affect or alter the substance of an otherwise responsible proposal package and that would not affect a CONTRACTOR's ability to perform the work adequately as specified.

9.6 Ownership: All submittals in response to this solicitation become the property of the County of Monterey. If a CONTRACTOR does not wish to submit a proposal package but wishes to acknowledge the receipt of the request, the reply envelope shall be marked "No Bid".

9.7 Compliance: Proposal packages that do not follow the format, content and submittal requirements as described herein, or fail to provide the required documentation, may receive lower evaluation scores, or be deemed non-responsive.

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9.8 Cal-OSHA: The items proposed shall conform to all applicable requirements of the California Occupational Safety and Health Administration Act of 1973 (Cal-OSHA).

10.0 SELECTION CRITERIA

10.1 The selection of CONTRACTOR and subsequent AGREEMENT award(s) will be based on the criteria contained in this solicitation, as demonstrated in the submitted proposal. CONTRACTOR should submit information sufficient for the County to easily evaluate proposals with respect to the selection criteria. The absence of required information may cause the proposal to be deemed non-responsive and may be cause for rejection.

10.2 The selection criteria include the following: **(100 points total).**

SELECTION CRITERIA	**Max Possible Score**
Project Understanding and Approach/Work Plan, and demonstrated capacity to fulfill scope of work	35
Experience of Key Project staff assigned to Project	25
Experience in successfully completing similar projects	25
References	15
TOTAL	**100**

10.3 To the extent of personnel and equipment are to be provided under this AGREEMENT, CONTRACTOR, if so requested, shall afford the County an opportunity to inspect CONTRACTOR's equipment prior to award of the AGREEMENT.

10.4 The award resulting from this RFP will be made to the CONTRACTOR that submits a response that, in the sole opinion of the County, best serves the overall interest of the County.

10.5 The award made from this RFP may be subject to approval by the County Board of Supervisors.

11.0 PRICING

11.1 CONTRACTOR will complete ATTACHMENT B - PRICING for the provision of services as outlined within this RFP.

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11.2 CONTRACTOR prices stated in ATTACHMENT B - PRICING shall be effective from the date the proposal is submitted to the day the AGREEMENT is awarded and through the initial term of the AGREEMENT.

11.3 Prior to the start of the Project, the County and CONTRACTOR will mutually agree upon the budget for the Project.

11.3.1 A Cost Proposal shall be submitted with ATTACHMENT B – PRICING in a separate sealed envelope. Cost Proposal shall be based on Cost-Plus fixed Fee Schedule.

11.4 Invoicing by CONTRACTOR will clearly itemize but is not limited to the following:

11.4.1 County Department receiving services.

11.4.2 Multi-year Agreement (MYA) number.

11.4.3 Delivery Order (DO) number under which the invoice is to be charged.

11.4.4 Project name and services provided.

11.4.5 Date(s) of services.

11.5 Travel/Mileage

11.5.1 Any travel/mileage must be agreed upon and approved by the County in writing prior to services being performed.

11.5.2 Travel/mileage must adhere to the current rate per mile at the time of service as provide by the California Department of Human Resources (CAL HR). Rates are listed at: https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx

11.5.3 Travel/mileage fees must be listed as a line-item within the corresponding invoice for associated services.

11.5.3.1 Travel/mileage fees more than the CAL HR rate at the time services are provided will not be processed. CONTRACTOR must correct the invoice containing the incorrect fee to adhere to the current CAL HR rates at the time of service prior to processing of invoice.

12.0 INDEMNIFICATION:

12.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding

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shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

12.2 Indemnification for Design Professional Services Claims:
CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one (1) or more defendants to any action involving such claim or claims against County is unable to pay its share of defense cost due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

12.3 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, e:x:pense .or liability other than claims arising out of CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County.

13.0 INSURANCE REQUIREMENTS

13.1 Evidence of Coverage:
Prior to commencement of this agreement, ·the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Division, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such,

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insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

13.2 Qualifying Insurers:
All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

13.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: ·any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto· insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services.

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If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)
If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

13.4 Other Requirements:
All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written bn an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:
The County of Monterey, its officers, officials, employees, and, volunteers, are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 IO, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:
For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance

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maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:
CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

14.0 AGREEMENT AWARD

13.1 No Guaranteed Value: County does not guarantee a minimum or maximum dollar value for any AGREEMENT resulting from this solicitation.

13.2 Board of Supervisors: The award made from this solicitation may be subject to approval by the County Board of Supervisors.

13.3 Interview: County reserves the right to interview selected CONTRACTOR before an AGREEMENT is awarded. The costs of attending any interview are the CONTRACTOR’s responsibility.

13.4 Incurred Costs: County is not liable for any costs incurred by CONTRACTOR in response to this solicitation.

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13.5 Notification: All CONTRACTORS who have submitted a proposal or qualifications package will be notified of the final decision as soon as it has been determined.

13.6 In County's Best Interest: The award(s) resulting from this solicitation will be made to the CONTRACTOR that submits a response that, in the sole opinion of County, best serves the overall interest of County.

14.0 PREVAILING WAGE

If applicable, CONTRACTOR shall comply with provisions of the Labor Code (sections 1720, et seq.) governing public works, including payment of prevailing wages, payroll records and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at: http://www.dir.ca.gov/public-works/prevailing-wage.html.

15.0 SEQUENTIAL AGREEMENT NEGOTIATION

County will pursue AGREEMENT negotiations with the CONTRACTOR who submits the best proposal or is deemed the most qualified in the sole opinion of County, and which is in accordance with the criteria as described within this solicitation. If the AGREEMENT negotiations are unsuccessful, in the opinion of either County or CONTRACTOR, County may pursue AGREEMENT negotiations with the entity that submitted a proposal which County deems to be the next best qualified to provide the services, or County may issue a new solicitation or take any other action which it deems to be in its best interest.

16.0 AGREEMENT TERMS AND CONDITIONS

CONTRACTOR selected through the solicitation process will be expected to execute a formal AGREEMENT with County for the provision of the requested service. The AGREEMENT shall be written by County in a standard format approved by the Office of the County Counsel, that is similar to the AGREEMENT in the SAMPLE AGREEMENT SECTION. Submission of a signed proposal and the **SIGNATURE PAGE** will be interpreted to mean CONTRACTOR HAS AGREED TO ALL THE TERMS AND CONDITIONS set forth in the pages of this solicitation and the standard provisions included in the **SAMPLE AGREEMENT SECTION** herein. County may but is not required to consider including language from the CONTRACTOR's proposed AGREEMENT, and any such submission shall be included in the Exceptions Section of CONTRACTOR's proposal.

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17.0 COLLUSION

CONTRACTOR shall not conspire, attempt to conspire, or commit any other act of collusion with any other interested party for the purpose of secretly, or otherwise, establishing an understanding regarding rates or conditions to the solicitation that would bring about any unfair conditions.

18.0 RIGHTS TO PERTINENT MATERIALS

All responses, inquiries, and correspondence related to this solicitation and all reports, charts, displays, schedules, exhibits, and other documentation produced by the CONTRACTOR that are submitted as part of the submittal will become the property of the County when received by the County **and may be considered public information under applicable law.** Any proprietary information in the submittal must be identified as such and marked "CONFIDENTIAL INFORMATION" or "PROPRIETARY INFORMATION", in conformity with the specific requirements set forth in Section 8.3, above. The County will not disclose proprietary information to the public, unless required by law; however, the County cannot guarantee that such information will be held confidential. **As a California government entity, County is subject to the California Public Records Act (CPRA) and other public transparency laws and, as such, cannot guarantee the confidentiality of information marked confidential or proprietary.** County will respond to requests for disclosure of records related to this solicitation in accord with applicable law on disclosure requirements and exemptions to disclosure.

SAMPLE AGREEMENT SECTION

The COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES WITH SURVEYORS, ARCHITECTS, ENGINEERS & DESIGN PROFESSIONALS ($100,000 OR MORE) with all terms and conditions (which are hereby incorporated by reference as though set forth entirely herein) may be viewed at: https://www.countyofmonterey.gov/government/departments-a-h/administrative-office/contracts-purchasing/agreement-templates

ATTACHMENTS/EXHIBITS AND SIGNATURE PAGE

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SIGNATURE PAGE

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS

RFP #10951
RELEASE DATE: March 27, 2025

RFP TITLE: Professional Engineering Services for Chualar wastewater Consolidation
Project No. C-06-8676-110

PROPOSALS ARE DUE AT THE DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS BY 3:00 P.M., PSA, ON FRIDAY, April 25, 2025.

MAILING ADDRESS:
COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS
1441 SCHILLING PLACE, SOUTH 2nd FLOOR
SALINAS, CA 93901-4527

QUESTIONS ABOUT THIS RFP SHOULD BE DIRECTED TO:
Benny J. Young, Management Specialist
Email: youngb@countyofmonterey.gov, Phone: (831) 755-5019

CONTRACTOR MUST INCLUDE THE FOLLOWING IN EACH PROPOSAL:

☐ ALL REQUIRED CONTENT AS DEFINED PER SECTION 8.0 HEREIN

This Signature Page must be included with your submittal to validate your proposal.
Proposals submitted without this page will be deemed non-responsive.

☐ **CHECK HERE IF YOU HAVE ANY EXCEPTIONS TO THIS SOLICITATION.**

CONTRACTOR MUST COMPLETE THE FOLLOWING TO VALIDATE PROPOSAL
I hereby agree to furnish the articles and/or services stipulated in my proposal at the price quoted, subject to the instructions and conditions in the RFP. I further attest that I am an official officer representing my firm and authorized with signatory authority to present this proposal package.

Company Name: _____ Date: _____

Signature: _____ Printed Name/Title: _____

Street Address: _____

City: _____ State: _____ Zip: _____

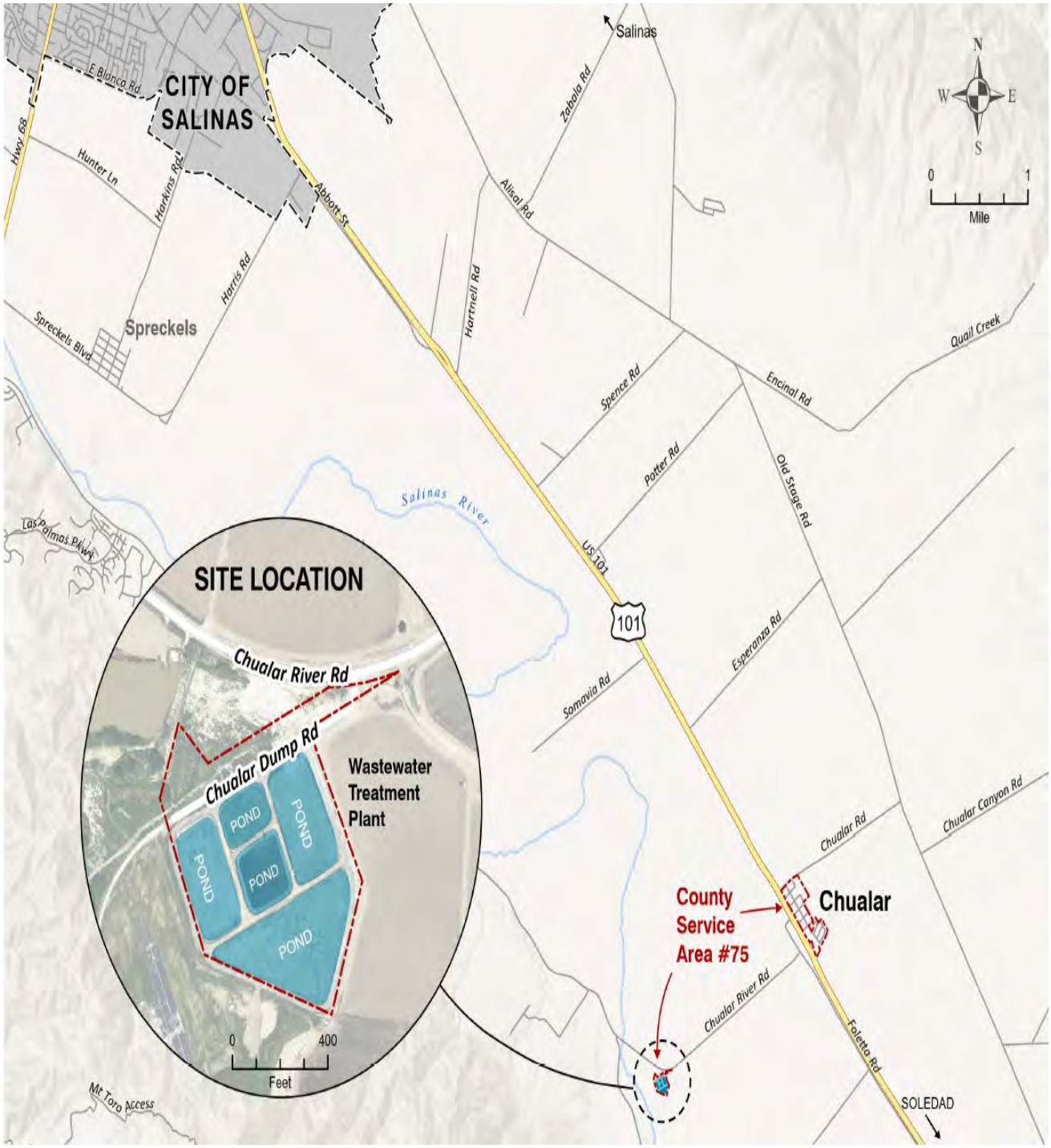
Phone: ( ) _____ Email: _____

License No. (If applicable): _____

Docusign Envelope ID: D2618A8F-6195-43D4-B9CF-554E2EFC580C

License Classification (If applicable): _____

ATTACHMENT A – CHUALAR LOCATION MAP



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ATTACHMENT B – PRICING

Sample Cost Proposal 1

Cost-Plus-Fixed Fee or lump sum or Firm Fixed Price contracts

(Design, Engineering and Environmental Studies)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant _____ Project No. _____

Contract No. _____ Date _____

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
(Project Manager)*				$0.00
(Sr. Civil Engineer)				$0.00
(Envir. Scientist)				$0.00
(Inspector)**				$0.00

LABOR COSTS

a) Subtotal Direct Labor Costs _____

b) Anticipated Salary Increase (see page 2 for calculation) _____

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] $0.00

INDIRECT COSTS

d) Fringe Benefits (Rate: %) _____

e) Total Fringe Benefits [(c) x (d)] $0.00

f) Overhead (Rate: %) _____

g) Overhead [(c) x (f)] $0.00

h) General and Administrative (Rate: %) _____

i) Gen & Admin [(c) x (h)] $0.00

j) **Total Indirect Costs** [(e) + (g) + (i)] $0.00

FIXED FEE

q) Fixed Fee (Rate: %) _____

k) **TOTAL FIXED FEE** [(c) + (j)] x (q) $0.00

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs				$0.00
Equipment Rental and Supplies				$0.00
Permit Fees				$0.00

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Plan Sheets				$0.00
Test				$0.00

l) **TOTAL OTHER DIRECT COSTS** $0.00

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

	Subconsultant's Name	**Cost**
Subconsultant 1:		$0.00
Subconsultant 2:		$0.00
Subconsultant 3:		$0.00
Subconsultant 4:		$0.00

m) **TOTAL SUBCONSULTANTS' COSTS** $0.00

n) Total Other Direct Costs INCLUDING SUBCONSULTANTS [(l)+(m)] $0.00

TOTAL COST [(c) + (j) + (k) + (n)] $0.00

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.

2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.

3. Anticipated salary increases calculation (page 2) must accompany.

– End of Attachment B –

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ATTACHMENT C – GRANT APPLICATION

ATTACHMENT D – EXHIBIT B – FEDERAL PROVISIONS

CLEAN WATER PLANNING LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY (“Recipient”)

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD (“State Water Board”)

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION (“Project”)

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

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1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y. Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

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EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	N/A	August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	N/A	N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:

  a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
  b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
  c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
  d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
  e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

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

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- “Authorized Representative” means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient’s authorizing resolution that designates the authorized representative by title.
- “Eligible Work Start Date” means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- “Enterprise Fund” means the enterprise fund of the Recipient in which Revenues are deposited.
- “Event of Default” means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient’s ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient’s ability to satisfy its obligations under this Agreement.
- “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- “Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's “Policy for Implementing the Clean Water State Revolving Fund,” as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.

- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.

- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.

- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.

- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).

- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.

- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.

- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.

- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.

- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.

- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

In compliance with this RFQ #__**10951**_____**,** which uses Federal Highway Administration (FHWA) funds, the CONTRACTOR (also referred to as "Consultant") will be required to comply with Federal Provisions. Federal Provisions, Exhibit A, attached hereto, shall be completed by CONTRACTOR (Consultant) and submitted to COUNTY (also referred to as "Local Agency") for approval prior to COUNTY (Local Agency) issuing a Notice to Proceed for the Project to CONTRACTOR (Consultant).

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Article I - Introduction

A. This AGREEMENT is between the following named, hereinafter referred to as, CONTRACTOR and the following named, hereinafter referred to as, COUNTY:

The name of the "CONTRACTOR" is as follows:

_____
_____
_____

Incorporated in the State of California

The Project Manager for the "CONTRACTOR" will be:

_____

The name of the COUNTY is as follows:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527

The Project Manager for COUNTY will be:

_____
_____
_____

B. The work to be performed under this AGREEMENT is described in Article III Statement of Work and the approved CONTRACTOR's Cost Proposal dated (month, date, year). The approved CONTRACTOR's Cost Proposal is attached hereto (**Exhibit A- Payment Provisions)** and incorporated by reference. If there is any conflict between the approved Cost Proposal and this AGREEMENT, this AGREEMENT shall take precedence.

C. CONTRACTOR agrees to the fullest extent permitted by law, to indemnify, protect, defend, and hold harmless COUNTY, its officers, officials, agents, employees and volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation, court costs and reasonable attorneys' and expert witness fees, arising out of any failure to comply with applicable law, any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise arising out of the performance of the work described herein, to the extent caused by a negligent act or negligent failure to act, errors, omissions, recklessness or willful misconduct incident to the performance of this AGREEMENT on the part of CONTRACTOR, except such loss or damage which was caused by the sole negligence, or willful misconduct of COUNTY, as determined by a Court of competent jurisdiction. The provisions of this section shall survive termination or suspension of this AGREEMENT.

D. CONTRACTOR in the performance of this AGREEMENT, shall act in an independent capacity. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor, and that no relationship of employer-employee exists between the parties hereto. CONTRACTOR's assigned personnel shall not be entitled to any benefits payable to employees of COUNTY.

E. COUNTY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of the AGREEMENT, and is not required to issue W-2 Forms for income and employment tax purposes for any of CONTRACTOR's assigned personnel. CONTRACTOR, in the performance of its obligation hereunder, is only subject to the control or direction of the COUNTY as to the designation of tasks to be performed and theresults to be accomplished.

F. Any third-party person(s) employed by CONTRACTOR shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. CONTRACTOR hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon anycontention by any third party that an employer-employee relationship exists by reason of this AGREEMENT.

G. Except as expressly authorized herein, CONTRACTOR 's obligations under this AGREEMENT are not assignable or transferable, and CONTRACTOR shall not subcontract any work, without the prior written approval of the COUNTY. However, claims for money due or which become due to CONTRACTOR from COUNTY under this AGREEMENT may be assigned to a financial institutionor to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to the COUNTY.

H. CONTRACTOR shall be as fully responsible to the COUNTY for the negligent acts and omissions of its contractors and subconsultants or subcontractors, and of persons either directly orindirectly employed by them, in the same manner as persons directly employed by CONTRACTOR.

I. No alteration or variation of the terms of this AGREEMENT shall be valid, unless made in writingand signed by the parties authorized to bind the parties; and no oral understanding or agreementnot incorporated herein, shall be binding on any of the parties hereto.

J. The consideration to be paid to CONTRACTOR as provided herein, shall be in compensation for allof CONTRACTOR’s expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

Article II Contractor’s Reports or Meetings

(Choose either Option 1 or Option 2)

☒ (Option 1 – Use Paragraphs A & B below for standard AGREEMENT)

A. CONTRACTOR shall submit progress reports at least once a month. The report should be sufficiently detailed for the COUNTY’s Contract Administrator to determine, if CONTRACTOR is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. CONTRACTOR’s Project Manager shall meet with COUNTY’s Contract Administrator, as needed, to discuss progress on the AGREEMENT.

☐ (Option 2 – Use Paragraphs A & B below for ON-CALL AGREEMENTS)

A. CONTRACTOR shall submit progress reports on each specific project in accordance with the Task Order. These reports shall be submitted at least once a month. The report should be sufficiently detailed for

COUNTY's Contract Administrator or Project Coordinator to determine, if CONTRACTOR is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. CONTRACTOR's Project Manager shall meet with COUNTY's Contract Administrator or Project Coordinator, as needed, to discuss progress on the project(s).

Article III Statement of Work

(Insert Appropriate Statement of Work including a Description of the Deliverables) *in the following sections. If a section does not apply to the AGREEMENT, state "Not Applicable to this AGREEMENT.")*

A. CONTRACTOR Services ☐ Not Applicable to this Agreement

Detail based on the services to be furnished should be provided by CONTRACTOR. Nature and extent should be verified in the negotiations to make precise statements to eliminate subsequentuncertainties and misunderstandings. Reference to the appropriate standards for design or otherstandards for work performance stipulated in CONTRACTOR AGREEMENT should be included. Describe acceptance criteria, and if the responsible CONTRACTOR/engineer shall sign all Plans,Specifications and Estimate (PS&E) and engineering data furnished under the AGREEMENT including registration number.

Environmental documents are not considered complete until a Caltrans District Senior Environmental Planner signs the Categorical Exclusion, a Caltrans Deputy District Director signs the Finding of No Significant Impact (FONSI), or the Caltrans District Director signs the Record of Decision (see LAPM Chapter 6: Environmental Procedures, and the Standard Environmental Reference).

B. Right of Way ☐ Not Applicable to this Agreement

State whether Right of Way requirements to be determined and shown by CONTRACTOR, whether land surveys and computations with metes and bounds descriptions are to be made, and whether Right of Way parcel maps are to be furnished.

C. Surveys ☐ Not Applicable to this Agreement

State whether or not the CONTRACTOR has the responsibility for performing preliminary or construction surveys.

D. Subsurface Investigations ☐ Not Applicable to this Agreement

State specifically whether or not CONTRACTOR has the responsibility for making subsurface investigations. If borings or other specialized services are to be made by others under the supervision of CONTRACTOR, appropriate provisions are to be incorporated. Archaeological testing and data recovery guidance can be found in the Standard Environmental Reference.

E. COUNTY (LOCAL AGENCY) Obligations ☐ Not Applicable to this Agreement

All data applicable to the project and in possession of COUNTY (local agency), another agency, or government agency that are to be made available to CONTRACTOR are referred to in the AGREEMENT. Any other assistance or services to be furnished to CONTRACTOR are to be stated clearly.

F. Conferences, Site Visits, Inspection of Work ☐ Not Applicable to this Agreement

This AGREEMENT provides for conferences as needed, visits to the site, and inspection of the work by

representatives of the COUNTY, State, and/or FHWA. Costs incurred by CONTRACTOR for meetings, subsequent to the initial meeting shall be included in the fee.

G. Checking Shop Drawings ☐ Not Applicable to this Agreement
For AGREEMENTS requiring the preparation of construction drawings, and make provision for checking shop drawings. Payment for checking shop drawings by CONTRACTOR is included in the AGREEMENT fee, or provision may be made for separate payment.

H. CONTRACTOR Services During Construction ☐ Not Applicable to this Agreement
The extent, if any of CONTRACTOR's services during the course of construction as material testing, construction surveys, etc., are specified in the AGREEMENT together with the method of payment for such services.

I. Documentation and Schedules ☐ Not Applicable to this Agreement
AGREEMENTS where appropriate, shall provide that CONTRACTOR document the results of the work to the satisfaction of COUNTY, and if applicable, the State and FHWA. This may include preparation of progress and final reports, plans, specifications and estimates, or similar evidence of attainment of the AGREEMENT objectives.

J. Deliverables and Number of Copies ☐ Not Applicable to this Agreement
The number of copies or documents to be furnished such as reports, brochures, sets of plans, specifications, or Right of Way parcel maps *shall be specified.* Provision may be made for payment for additional copies.

Article IV Performance Period

A time must be set for beginning and ending the work under the AGREEMENT. The time allowedfor performing the work is specified; it should be reasonable for the kind and amount of services contemplated; and it is written into the AGREEMENT. If it is desirable that Critical Path Method (CPM) networks, or other types of schedules be prepared by CONTRACTOR, they should be identified and incorporated into the AGREEMENT.

A. This AGREEMENT shall go into effect on (month, date, year), contingent upon approval by COUNTY, and CONTRACTOR shall commence work after notification to proceed by COUNTY Contract Administrator. The AGREEMENT shall end on (month, date, year)**,** unless extended by AGREEMENT amendment.

B. CONTRACTOR is advised that any recommendation for AGREEMENT award is not binding on COUNTY until the AGREEMENT is fully executed and approved by COUNTY.

Use paragraph C below in addition to paragraphs A & B above for on-call AGREEMENTS. On-call AGREEMENTS shall be five (5) years maximum.

C. The period of performance for each specific project shall be in accordance with the Task Order for that project. If work on a Task Order is in progress on the expiration date of this AGREEMENT, the terms of the AGREEMENT shall be extended by AGREEMENT amendment prior to the expiration of the AGREEMENT to cover the time needed to complete the task order in progress only. The maximum term shall not exceed five (5) years.

Article V Allowable Costs and Payments

(Choose either Option 1, 2, 3, or 4)

☒ *(Option 1 - Use paragraphs A through K below for Cost-Plus-Fixed Fee AGREEMENTS. Use Exhibit10-H1: Cost Proposal Format)*

A. The method of payment for this AGREEMENT will be based on actual cost plus a fixed fee. COUNTY will reimburse CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by CONTRACTOR in performance of the work. CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONTRACTOR's Cost Proposal, unless additional reimbursement is provided for by AGREEMENT amendment. In no event, will CONTRACTOR be reimbursed for overhead costs at a rate that exceeds COUNTY's approved overhead rate set forth in the Cost Proposal. In the event, that COUNTY determines that a change to the work from that specified in the Cost Proposal and AGREEMENT is required, the AGREEMENT time or actual costs reimbursable by COUNTY shall be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I" of this Article shall not be exceeded, unless authorized by AGREEMENT amendment.

B. The indirect cost rate established for this AGREEMENT is extended through the duration of this specific AGREEMENT. CONTRACTOR's agreement to the extension of the one (1)-year applicable period shall not be a condition or qualification to be considered for the work or AGREEMENT award.

C. In addition to the allowable incurred costs, COUNTY will pay CONTRACTOR a fixed fee of $_____. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.

D. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

E. When milestone cost estimates are included in the approved Cost Proposal, CONTRACTOR shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

F. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONTRACTOR's fixed fee will be included in the monthly progress payments. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, COUNTY shall have the right to delay payment or terminate this AGREEMENT.

G. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.

H. CONTRACTOR will be reimbursed, promptly according to California Regulations upon receipt by COUNTY's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title.

Final invoice must contain the final cost and all credits due COUNTY including any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice should be submitted within sixty (60) calendar days after completion of CONTRACTOR's work. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

I. The total amount payable by COUNTY including the fixed fee shall not exceed $_____.

J. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

☐ *(Option 2 - For Cost per Unit of Work AGREEMENTS, replace paragraphs A & B of Option 1 with the following paragraphs A, B, and C and re-letter the remaining paragraphs. Adjust as necessary for workspecific to your project. Use Exhibit 10-H3: Cost Proposal Format*).

A. The method of payment for the following items shall be at the rate specified for each item, as described in this Article. The specified rate shall include full compensation to CONTRACTOR for the item as described, including but not limited to, any repairs, maintenance, or insurance, and no further compensation will be allowed, therefore.

B. The specified rate to be paid for vehicle expense for CONTRACTOR's field personnel shall be $_____ per approved Cost Proposal. This rate shall be for a fully equipped vehicle(s) specified in Article III Statement of Work, as applicable the specified rate to be paid for equipment shall be, as listed in the approved Cost Proposal.

C. The method of payment for this AGREEMENT, except those items to be paid for on a specified rate basis, will be based on cost per unit of work. COUNTY will reimburse CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment-rental costs, overhead and other direct costs) incurred by CONTRACTOR in performance of the work. CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead and other estimated costs set forth in the approved Cost Proposal, unless additional reimbursement is provided for, by AGREEMENT amendment. In no event, will CONTRACTOR be reimbursed for overhead costs at a rate that exceeds COUNTY approved overhead rate set forth in the approved Cost Proposal. In the event, COUNTY determines that changed work from that specified in the approved Cost Proposal and AGREEMENT is required; the actual costs reimbursable by COUNTY may be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I," of this article shall not be exceeded unless authorized by AGREEMENT amendment.

☐ ***(Option 3 - Use paragraphs A through P for Specific Rates of Compensation Agreements [such as on-call Agreements].*** **This payment method shall only be used when it is not possible at the time of procurement to**

estimate the extent or duration of the work or to estimate costs with any reasonable degree of accuracy. The specific rates of compensation payment method should be limited to AGREEMENTS or components of AGREEMENTS for specialized or support type services where the CONTRACTOR is not in direct control of the number of hours worked, such as construction engineering and inspection. *Use Exhibit 10-H2: Cost Proposal Format).*

A. CONTRACTOR will be reimbursed for hours worked at the hourly rates specified in CONTRACTOR's approved Cost Proposal. The specified hourly rates shall include direct salary costs, employee benefits, prevailing wages, employer payments, overhead, and fee. These rates are not adjustable for the performance period set forth in this AGREEMENT. CONTRACTOR will be reimbursed within thirty (30) calendar days upon receipt by COUNTY's Contract Administrator of itemized invoices in duplicate.

B. In addition, CONTRACTOR will be reimbursed for incurred (actual) direct costs other than salary costs that are in the approved Cost Proposal and identified in the approved cost proposal and in the executed Task Order.

C. Specific projects will be assigned to CONTRACTOR through issuance of Task Orders.

D. After a project to be performed under this AGREEMENT is identified by COUNTY, COUNTY will prepare a draft Task Order; less the cost estimate. A draft Task Order will identify the scope of services, expected results, project deliverables, period of performance, project schedule and will designate a COUNTY Project Coordinator. The draft Task Order will be delivered to CONTRACTOR for review. CONTRACTOR shall return the draft Task Order within ten (10) calendar days along with a Cost Estimate, including a written estimate of the number of hours and hourly rates per staff person, any anticipated reimbursable expenses, overhead, fee if any, and total dollar amount. After agreement has been reached on the negotiable items and total cost; the finalized Task Order shall be signed by both COUNTY and CONTRACTOR.

E. Task Orders may be negotiated for a lump sum (Firm Fixed Price) or for specific rates of compensation, both of which must be based on the labor and other rates set forth in CONTRACTOR's approved Cost Proposal.

CONTRACTOR shall be responsible for any future adjustments to prevailing wage rates including but not limited to, base hourly rates and employer payments as determined by the Department of Industrial Relations. CONTRACTOR is responsible for paying the appropriate rate, including escalations that take place during the term of the AGREEMENT.

F. (*COUNTY to include either (a) or (b) below; delete the other one (1))*

(a) Reimbursement for transportation and subsistence costs shall not exceed State rates.

(b) Reimbursement for transportation and subsistence costs shall not exceed the rates as specified in the approved Cost Proposal. CONTRACTOR will be responsible for transportation and subsistence costs in excess of State rates.

G. When milestone cost estimates are included in the approved Cost Proposal, CONTRACTOR shall obtain

prior written approval in the form of an AGREEMENT amendment for a revised milestone cost estimate from the Contract Administrator before exceeding such estimate.

H. Progress payments for each Task Order will be made monthly in arrears based on services provided and actual costs incurred.

I. CONTRACTOR shall not commence performance of work or services until this AGREEMENT has been approved by COUNTY, and notification to proceed has been issued by COUNTY'S Contract Administrator. No payment will be made prior to approval or for any work performed prior to approval of this AGREEMENT.

J. A Task Order is of no force or effect until returned to COUNTY and signed by an authorized representative of COUNTY. No expenditures are authorized on a project and work shall not commence until a Task Order for that project has been executed by COUNTY.

K. CONTRACTOR will be reimbursed, within thirty (30) days upon receipt by COUNTY'S Contract Administrator of itemized invoices in duplicate. Separate invoices itemizing all costs are required for all work performed under each Task Order. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing, or upon completion of the Task Order. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number, project title and Task Order number. Credits due COUNTY that include any equipment purchased under the provisions of Article XI Equipment Purchase, must be reimbursed by CONTRACTOR prior to the expiration or termination of this AGREEMENT. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

L. The period of performance for Task Orders shall be in accordance with dates specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this AGREEMENT.

M. The total amount payable by COUNTY for an individual Task Order shall not exceed the amount agreed to in the Task Order, unless authorized by amendment.

N. If CONTRACTOR fails to satisfactorily complete a deliverable according to the schedule set forth in a Task Order, no payment will be made until the deliverable has been satisfactorily completed.

O. Task Orders may not be used to amend the language (or terms) of this AGREEMENT nor to exceed the scope of work under this AGREEMENT.

P. The total amount payable by COUNTY for all Task Orders resulting from this AGREEMENT shall not exceed **$** It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under this AGREEMENT through Task Orders.

☐ *(Option 4 - Use paragraphs A through E below for lump sum AGREEMENTS. Use Exhibit 10-H1: CostProposal Format)*

A. The method of payment for this AGREEMENT will be based on lump sum. The total lump sum price paid to CONTRACTOR will include compensation for all work and deliverables, including travel and equipment described in Article III Statement of Work. No additional compensation will be paid to CONTRACTOR, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total lump sum compensation will be negotiated between CONTRACTOR and COUNTY. Adjustment in the total lump sum compensation will not be effective until authorized by contract amendment and approved by COUNTY.

B. Progress payments may be made monthly in arrears based on the percentage of work completed by CONTRACTOR. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, COUNTY shall have the right to delay payment or terminate this AGREEMENT in accordance with the provisions of Article VI Termination.

C. CONTRACTOR shall not commence performance of work or services until this AGREEMENT has been approved by COUNTY and notification to proceed has been issued by COUNTY'S Contract Administrator. No payment will be made prior to approval of any work, or for any work performed prior to approval of this AGREEMENT.

D. CONTRACTOR will be reimbursed within thirty (30) days upon receipt by County's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title. Final invoice must contain the final cost and all credits due COUNTY that include any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice must be submitted within sixty (60) calendar days after completion of CONTRACTOR's work unless a later date id approved by County. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

E. The total amount payable by COUNTY shall not exceed $_____.

Article VI Termination

A. This AGREEMENT may be terminated by COUNTY, provided that COUNTY gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings, and data estimates performed to that date, whether completed or not.

B. COUNTY may temporarily suspend this AGREEMENT, at no additional cost to COUNTY, provided that CONTRACTOR is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If COUNTY gives such notice of temporary suspension, CONRACTOR shall immediately suspend its activities under this AGREEMENT. A temporary suspension may be issued concurrent with the notice of termination.

C. Notwithstanding any provisions of this AGREEMENT, CONTRACTOR shall not be relieved of liability to COUNTY for damages sustained by COUNTY by virtue of any breach of this AGREEMENT by CONTRACTOR, and COUNTY may withhold any payments due to CONTRACTOR until such time as exact amount of damages, if any, due COUNTY from CONTRACTOR isdetermined.

D. In the event of termination, CONTRACTOR shall be compensated as provided for in this AGREEMENT. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings, and data estimates performed to that date, whether completed or not.

Article VII Cost Principles and Administrative Requirements

A. CONTRACTOR agrees that 48 CFR Part 31, Contract Cost Principles and Procedures shall be used to determine the allowability of individual terms of cost.

B. CONTRACTOR also agrees to comply with Federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

C. Any costs for which payment has been made to CONTRACTOR that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by CONTRACTOR to COUNTY.

D. When a CONTRACTOR or subcontractor is a Non-Profit Organization or an Institution of Higher Education, the Cost Principles for Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards shall apply.

Article VIII Retention of Records/Audit

For the purpose of determining compliance with Government Code §8546.7, the CONTRACTOR, subcontractors, and COUNTY shall maintain all books, documents, papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the AGREEMENT, including but not limited to, the costs of administering the AGREEMENT. All parties, including the CONTRACTOR's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the AGREEMENT period and for three (3) years from the date of final payment under the AGREEMENT. COUNTY, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal Government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of CONTRACTOR, subcontractor and the CONTRACTOR's Independent CPA, that are pertinent to the AGREEMENT for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

Article IX Audit Review Procedures

A. Any dispute concerning a question of fact arising under an interim or post audit of this AGREEMENT that

is not disposed of by AGREEMENT, shall be reviewed by COUNTY'S Chief Financial Officer.

B. Not later than thirty (30) calendar days after issuance of the final audit report, CONTRACTOR may request a review by COUNTY'S Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.

C. Neither the pendency of a dispute nor its consideration by COUNTY will excuse CONTRACTOR from full and timely performance, in accordance with the terms of this AGREEMENT.

D. CONTRACTOR and subcontractor AGREEMENTS, including cost proposals and Indirect Cost Rates (ICR), may be subject to audits or reviews such as, but not limited to, an AGREEMENT audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the AGREEMENT, cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review, it is CONTRACTOR's responsibility to ensure federal, state, COUNTY or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The AGREEMENT, cost proposal, and ICR shall be adjusted by CONTRACTOR and approved by COUNTY Contract Administrator to conform to the audit or review recommendations. CONTRACTOR agrees that individual terms of costs identified in the audit report shall be incorporated into the AGREEMENT by this reference if directed by COUNTY at its sole discretion. Refusal by CONTRACTOR to incorporate audit or review recommendations, or to ensure that the federal, COUNTY or local governments have access to CPA work papers, will be considered a breach of AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.

E. CONTRACTOR's Cost Proposal may be subject to a CPA ICR Audit Work Paper Review and/or audit by the Independent Office of Audits and Investigations (IOAI). IOAI, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the CONTRACTOR and approved by the COUNTY Contract Administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the CONTRACTOR to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.

1. During IOAI's review of the ICR audit work papers created by the CONTRACTOR's independent CPA, IOAI will work with the CPA and/or CONTRACTOR toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If IOAI identifies significant issues during the review and is unable to issue a cognizant approval letter, COUNTY will reimburse the CONTRACTOR at an accepted ICR until a FAR (Federal Acquisition Regulation) compliant ICR {e.g. 48 CFR, Part 31; GAGAS (Generally Accepted Government Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with procedures and guidelines of the American Association of State Highways and Transportation Officials (AASHTO) Audit Guide; and other applicable procedures and guidelines} is received and approved by IOAI.

Accepted rates will be as follows:

a. If the proposed rate is less than one hundred fifty percent (150%) - the accepted rate reimbursed will be ninety percent (90%) of the proposed rate.

b. If the proposed rate is between one hundred fifty percent (150%) and two hundred percent (200%) - the accepted rate will be eighty-five percent (85%) of the proposed rate.

c. If the proposed rate is greater than two hundred percent (200%) - the accepted rate will be seventy-five percent (75%) of the proposed rate.

2. If IOAI is unable to issue a cognizant letter per paragraph E.1. above, IOAI may require CONTRACTOR to submit a revised independent CPA-audited ICR and audit report within three (3) months of the effective date of the management letter. IOAI will then have up to six (6) months to review the CONTRACTOR's and/or the independent CPA's revisions.

3. If the CONTRACTOR fails to comply with the provisions of this paragraph E, or if IOAI is still unable to issue a cognizant approval letter after the revised independent CPA-audited ICR is submitted, overhead cost reimbursement will be limited to the accepted ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this accepted ICR will become the actual and final ICR for reimbursement purposes under this AGREEMENT.

4. CONTRACTOR may submit to COUNTY final invoice only when all of the following items have occurred: (1) IOAI accepts or adjusts the original or revised independent CPA-audited ICR; (2) all work under this AGREEMENT has been completed to the satisfaction of COUNTY; and, (3) IOAI has issued its final ICR review letter. The CONTRACTOR MUST SUBMIT ITS FINAL INVOICE TO COUNTY no later than sixty (60) calendar days after occurrence of the last of these items. The accepted ICR will apply to this AGREEMENT and all other agreements executed between COUNTY and the CONTRACTOR, either as a prime or subcontractor, with the same fiscal period ICR.

Article X Subcontracting

A. Nothing contained in this AGREEMENT or otherwise, shall create any contractual relation between the COUNTY and any subcontractor(s), and no subagreement shall relieve the CONTRACTOR of its responsibilities and obligations hereunder. The CONTRACTOR agrees to be as fully responsible to the COUNTY for the acts and omissions of its subcontractor(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the CONTRACTOR. The CONTRACTOR's obligation to pay its subcontractor(s) is an independent obligation from the COUNTY's obligation to make payments to the CONTRACTOR.

B. CONTRACTOR shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted without written authorization by COUNTY's Contract Administrator, except that, which is expressly identified in the CONTRACTOR's approved Cost Proposal.

C. Any subagreement entered into as a result of this AGREEMENT shall contain all the provisions stipulated in this entire AGREEMENT to be applicable to subcontractors unless otherwise noted.

D. CONTRACTOR shall pay its subcontractors within fifteen (15) calendar days from receipt of each payment

made to the CONTRACTOR by the COUNTY.

E. Any substitution of subcontractor(s) must be approved in writing by COUNTY's Contract Administrator in advance of assigning work to a substitute subcontractor(s).

F. Prompt Progress Payment
CONTRACTOR or subcontractor shall pay to any subcontractor, not later than fifteen (15) days after receipt of each progress payment, unless otherwise agreed to in writing, the respective amounts allowed CONTRACTOR on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from CONTRACTOR or subcontractor to a subcontractor, CONTRACTOR or subcontractor may withhold no more than one hundred fifty percent (150%) of the disputed amount. Any violation of this requirement shall constitute a cause for disciplinary action and shall subject the licensee to a penalty, payable to the subcontractor, of two percent (2%) percent of the amount due per month for every month that payment is not made.

In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs. The sanctions authorized under this requirement shall be separate from, and in addition to, all other remedies, either civil, administrative, or criminal. This clause applies to both DBE and non-DBE subcontractors.

G. Prompt Payment of Withheld Funds to subcontractors
The COUNTY may hold retainage from CONTRACTOR and shall make prompt and regular incremental acceptances of portions, as determined by the COUNTY, of the contract work, and pay retainage to CONTRACTOR based on these acceptances. The COUNTY shall designate one of the methods below in the contract to ensure prompt and full payment of any retainage kept by CONTRACTOR or subcontractor to a subcontractor. (Choose either Method 1, Method 2, or Method 3 below and delete the other two (2).)

☐ **Method 1**: No retainage will be held by the COUNTY from progress payments due to CONTRACTOR. CONTRACTORS and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and other remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 2**: No retainage will be held by the COUNTY from progress payments due to CONTRACTOR. Any retainage kept by CONTRACTOR or by a subcontractor must be paid in full to the earning subcontractor within fifteen (15) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or

nonpayment by CONTRACTOR, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 3**: The COUNTY shall hold retainage from CONTRACTOR and shall make prompt and regular incremental acceptances of portions, as determined by the COUNTY of the contract work and pay retainage to CONTRACTOR based on these acceptances. CONTRACTOR or subcontractor shall return all monies withheld in retention from all subcontractors within fifteen (15) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the COUNTY. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and other remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR; deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions and other remedies specified therein. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR, deficient subcontract performance, or noncompliance by a subcontractor.

Article XI Equipment Purchase and Other Capital Expenditures

A. Prior authorization in writing, by COUNTY's Contract Administrator shall be required before CONTRACTOR enters into any unbudgeted purchase order, or subcontract exceeding five thousand dollars ($5,000) for supplies, equipment, or CONTRACTOR services. CONTRACTOR shall provide an evaluation of the necessity or desirability of incurring such costs.

B. For purchase of any item, service or consulting work not covered in CONTRACTOR's approved Cost Proposal and exceeding five thousand dollars ($5,000) with prior authorization by COUNTY's Contract Administrator; three competitive quotations must be submitted with the request, or the absence of proposal must be adequately justified.

C. Any equipment purchased with funds provided under the terms of this AGREEMENT is subject to the following:

1. CONTRACTOR shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of five thousand dollars ($5,000) or more. If the purchased equipment needs replacement and is sold or traded in, COUNTY shall receive a proper refund or credit at the conclusion of the AGREEMENT, or if the AGREEMENT is terminated, CONTRACTOR may either keep the equipment and credit COUNTY in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established COUNTY procedures; and credit COUNTY in an amount equal to the sales price. If CONTRACTOR elects to keep the equipment, fair market value shall be determined at CONTRACTOR's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by COUNTY and CONTRACTOR, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by COUNTY.

2. Regulation 2 CFR Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than five thousand dollars ($5,000) is credited to the project.

Article XII State Prevailing Wage Rates

A. No CONTRACTOR or subcontractor may be awarded an AGREEMENT containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code §1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.

B. The CONTRACTOR shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this AGREEMENT are available and on file with the Department of Transportation's Regional/District Labor Compliance Officer (https://dot.ca.gov/programs/construction/labor-compliance). These wage rates are made a specific part of this AGREEMENT by reference pursuant to Labor Code §1773.2 and will be applicable to work performed at a construction project site. Prevailing wages will be applicable to all inspection work performed at COUNTY construction sites, at COUNTY facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve COUNTY projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.

C. General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at http://www.dir.ca.gov.

D. Payroll Records

1. Each CONTRACTOR and subcontractor shall keep accurate certified payroll records and supporting documents as mandated by Labor Code §1776 and as defined in 8 CCR §16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CONTRACTOR or subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

    a. The information contained in the payroll record is true and correct.

    b. The employer has complied with the requirements of Labor Code §1771, §1811, and §1815 for any work performed by his or her employees on the public works project.

2. The payroll records enumerated under paragraph (1) above shall be certified as correct by the CONTRACTOR under penalty of perjury. The payroll records and all supporting documents shall be made available for inspection and copying by COUNTY representatives at all reasonable hours at the principal office of the CONTRACTOR. The CONTRACTOR shall provide copies of certified payrolls or permit inspection of its records as follows:

    a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

b. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by the CONTRACTOR.

c. The public shall not be given access to certified payroll records by the CONTRACTOR. The CONTRACTOR is required to forward any requests for certified payrolls to the COUNTY Contract Administrator by both email and regular mail on the business day following receipt of the request.

3. Each CONTRACTOR shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.

4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by COUNTY shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of the CONTRACTOR or subcontractor performing the work shall not be marked or obliterated.

5. The CONTRACTOR shall inform COUNTY of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five (5) working days, provide a notice of a change of location and address.

6. The CONTRACTOR or subcontractor shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the CONTRACTOR or subcontractor fails to comply within the ten (10) day period, he or she shall, as a penalty to COUNTY, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties shall be withheld by COUNTY from payments then due. CONTRACTOR is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

E. When prevailing wage rates apply, the CONTRACTOR is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the COUNTY Contract Administrator.

F. Penalty

1. The CONTRACTOR and any of its subcontractor shall comply with Labor Code §1774 and §1775. Pursuant to Labor Code §1775, the CONTRACTOR and any Subcontractor shall forfeit to the COUNTY a penalty of not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the contract by the CONTRACTOR or by its subcontractor in violation of the requirements of the Labor Code

and in particular, Labor Code §§1770 to 1780, inclusive.

2. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the CONTRACTOR or subcontractor in failing to pay the correct rate of prevailing wages, or the previous record of the CONTRACTOR or subcontractor in meeting their respective prevailing wage obligations, or the willful failure by the CONTRACTOR or subcontractor to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if the CONTRACTOR or subcontractor had knowledge of the obligations under the Labor Code. The CONTRACTOR is responsible for paying the appropriate rate, including any escalations that take place during the term of the AGREEMENT.

3. In addition to the penalty and pursuant to Labor Code §1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the CONTRACTOR or subcontractor.

4. If a worker employed by a subcontractor on a public works project is not paid the general prevailing per diem wages by the subcontractor, the prime CONTRACTOR of the project is not liable for the penalties described above unless the prime CONTRACTOR had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime CONTRACTOR fails to comply with all of the following requirements:

    a. The AGREEMENT executed between the CONTRACTOR and the subcontractor for the performance of work on public works projects shall include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.

    b. The CONTRACTOR shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees by periodic review of the certified payroll records of the subcontractor.

    c. Upon becoming aware of the subcontractor's failure to pay the specified prevailing rate of wages to the subcontractor's workers, the CONTRACTOR shall diligently take corrective action to halt or rectify the failure, including but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

    d. Prior to making final payment to the subcontractor for work performed on the public works project, the CONTRACTOR shall obtain an affidavit signed under penalty of perjury from the Subcontractor that the subcontractor had paid the specified general prevailing rate of per diem wages to the subcontractor's employees on the public works project and any amounts due pursuant to Labor Code §1813.

5. Pursuant to Labor Code §1775, COUNTY shall notify the CONTRACTOR on a public works project within fifteen (15) calendar days of receipt of a complaint that a subcontractor has failed to pay workers the general prevailing rate of per diem wages.

6. If COUNTY determines that employees of a subcontractor were not paid the general prevailing rate of per diem wages and if COUNTY did not retain sufficient money under the AGREEMENT to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, the CONTRACTOR shall withhold an amount of moneys due the subcontractor sufficient

to pay those employees the general prevailing rate of per diem wages if requested by COUNTY.

G. Hours of Labor

Eight (8) hours labor constitutes a legal day's work. The CONTRACTOR shall forfeit, as a penalty to the COUNTY, twenty-five dollars ($25) for each worker employed in the execution of the AGREEMENT by the CONTRACTOR or any of its subcontractors for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular §§1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in §1815.

H. Employment of Apprentices

1. Where either the prime AGREEMENT or the subcontract exceeds thirty thousand dollars ($30,000), the CONTRACTOR and any subcontractors under him or her shall comply with all applicable requirements of Labor Code §§ 1777.5, 1777.6 and 1777.7 in the employment of apprentices.

2. CONTRACTORs and subcontractors are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, CONTRACTOR and subcontractors are advised to contact the DIR Division of Apprenticeship Standards website at https://www.dir.ca.gov/das for additional information regarding the employment of apprentices and for the specific journey-to- apprentice ratios for the AGREEMENT work. The CONTRACTOR is responsible for all subcontractors' compliance with these requirements. Penalties are specified in Labor Code §1777.7.

Article XIII Conflict of Interest

A. During the term of this AGREEMENT, the CONTRACTOR shall disclose any financial, business, or other relationship with COUNTY that may have an impact upon the outcome of this AGREEMENT, or any ensuing COUNTY construction project. The CONTRACTOR shall also list current clients who may have a financial interest in the outcome of this AGREEMENT, or any ensuing COUNTY construction project, which will follow.

B. CONTRACTOR certifies that it has disclosed to COUNTY any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONTRACTOR agrees to advise COUNTY of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT.

CONTRACTOR further agrees to complete any statements of economic interest if required by either COUNTY ordinance or State law.

C. The CONTRACTOR hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.

D. CONTRACTOR hereby certifies that the CONTRACTOR or subcontractor, and any firm affiliated with CONTRACTOR or subcontractor that bids on any construction contract, or on any AGREEMENT to provide construction inspection for any construction project resulting from this AGREEMENT. An affiliated firm is

one, which is subject to the control of the same persons through joint-ownership, has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

Article XIV Rebates, Kickbacks or Other Unlawful Consideration

The CONTRACTOR warrants that this AGREEMENT was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any COUNTY employee. For breach or violation of this warranty, COUNTY shall have the right, in its discretion, to terminate this AGREEMENT without liability; to pay only for the value of the work actually performed; or to deduct from this AGREEMENT price or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

Article XV Prohibition of Expending County, State, or Federal Funds for Lobbying

(Include this article in all AGREEMENTS where federal funding will exceed $150,000. If less than $150,000 in federal funds will be expended on the AGREEMENT; delete this article and re-number subsequent articles.)

A. CONTRACTOR certifies to the best of his or her knowledge and belief that:

1. No State, Federal, or County appropriated funds have been paid or will be paid, by-or-on behalf of CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any local, State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding or making of this AGREEMENT, or with the extension, continuation, renewal, amendment, or modification of this AGREEMENT .

2. If any funds other than Federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this AGREEMENT, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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

C. The CONTRACTOR also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subagreements, which exceed one hundred thousand dollars ($100,000) and that all such subrecipients shall certify and disclose accordingly.

Article XVI Non-Discrimination Clause and Statement of Compliance

A. The CONTRACTOR's signature affixed herein and dated shall constitute a certification under penalty of perjury under the laws of the State of California that the CONTRACTOR has, unless exempt, complied with, the nondiscrimination program requirements of Government Code § 12990 and 2 CCR § 8103.

B. During the performance of this AGREEMENT, Contractor and its subcontractors shall not deny the AGREEMENT's benefits to any person on the basis of 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 and veteran status, nor shall they unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of 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 and veteran status. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

C. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.), the applicable regulations promulgated there under (2 CCR §11000 et seq.), the provisions of Gov. Code §11135-11139.5, and the regulations or standards adopted by COUNTY to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth 2 CCR §§8100-8504, are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

D. CONTRACTOR shall permit access by representatives of the Department of Fair Employment and Housing and the COUNTY upon reasonable notice at any time during the normal business hours, but in no case less than twenty-four (24) hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or COUNTY shall require to ascertain compliance with this clause.

E. CONTRACTOR and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

F. CONTRACTOR shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this AGREEMENT.

G. The CONTRACTOR, with regard to the work performed under this AGREEMENT, shall act in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the United States shall, on the basis of race, color, national origin, religion, sex, age, disability, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.

H. The CONTRACTOR, shall comply with regulations relative to non-discrimination in federally-assisted programs of the United States Department of Transportation (49 CFR Part 21 - Effectuation of Title VI of the Civil Rights Act of 1964). Specifically, the CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR §21.5, including employment practices and the selection and retention of subcontractors.

I. CONTRACTOR, subrecipient or subcontractor will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR 26 on the basis of race, color, sex, or national origin. In administering the COUNTY components of the DBE Program Plan, CONTRACTOR, subrecipient or subcontractor will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

Article XVII Debarment and Suspension Certification

A. The CONTRACTOR's signature affixed herein shall constitute a certification under penalty of perjury under the laws of the State of California, that the CONTRACTOR or any person associated therewith in the capacity of owner, partner, director, officer, or manager:

1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;

2. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years;

3. Does not have a proposed debarment pending; and

4. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.

B. Any exceptions to this certification must be disclosed to COUNTY. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining responsibility. Disclosures must indicate the party to whom the exceptions apply, the initiating agency, and the dates of agency action.

C. Exceptions to the Federal Government Excluded Parties List System (https://sam.gov/content/home) maintained by the United States General Services Administration are to be determined by FHWA.

Article XVIII Disadvantaged Business Enterprises (DBE) Participation

A. CONTRACTOR, subrecipient (COUNTY), or subcontractor shall take necessary and reasonable steps to ensure that DBEs have opportunities to participate in the contract (49 CFR 26). To ensure equal participation of DBEs provided in 49 CFR 26.5, The COUNTY shows a contract goal for DBEs. CONTRACTOR shall make work available to DBEs and select work parts consistent with available DBE subcontractors and suppliers.

CONTRACTOR shall meet the DBE goal shown elsewhere in these special provisions or demonstrate that they made adequate Good Faith Efforts (GFE) to meet this goal. It is CONTRACTOR's responsibility to verify at the date of proposal opening that the DBE firm is certified as DBE by using the California Unified Certification Program (CUCP) database and possesses the most specific available North American Industry Classification System (NAICS) codes and work code applicable to the type of work the firm will perform on the Agreement. Additionally, the CONTRACTOR is responsible to document the verification record by printing out the CUCP data for each DBE firm. A list of DBEs certified by the CUCP can be found at https://dot.ca.gov/programs/civil-rights/dbe-search

All DBE participation will count toward the California Department of Transportation's federally mandated statewide overall DBE goal. Credit for materials or supplies CONTRACTOR purchases from DBEs counts towards the goal in the following manner:

- One hundred percent (100 %) counts if the materials or supplies are obtained from a DBE manufacturer.

- Sixty percent (60%) counts if the materials or supplies are purchased from a DBE regular dealer.

- Only fees, commissions, and charges for assistance in the procurement and delivery of materials or supplies count if obtained from a DBE that is neither a manufacturer nor regular dealer. 49CFR26.55 defines "manufacturer" and "regular dealer."

This AGREEMENT is subject to 49 CFR Part 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs". CONTRACTORS who enter into a federally-funded agreement will assist the COUNTY in a good faith effort to achieve California's statewide overall DBE goal.

B. The goal for DBE participation for this AGREEMENT is ___0___%. Participation by DBE contractor or subcontractors shall be in accordance with information contained in Exhibit 10-02: Consultant Contract DBE Commitment attached hereto and incorporated as part of the AGREEMENT. If a DBE subcontractor is unable to perform, CONTRACTOR must make a good faith effort to replace him/her with another DBE subcontractor, if the goal is not otherwise met.

C. CONTRACTOR can meet the DBE participation goal by either documenting commitments to DBEs to meet the AGREEMENT goal, or by documenting adequate good faith efforts to meet the AGREEMENT goal. An adequate good faith effort means that the CONTRACTOR must show that it took all necessary and reasonable steps to achieve a DBE goal that, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to meet the DBE goal. If CONTRACTOR has not met the DBE goal, complete and submit Exhibit 15-H: DBE Information – Good Faith Efforts to document efforts to meet the goal. Refer to 49 CFR Part 26 for guidance regarding evaluation of good faith efforts to meet the DBE goal.

D. Contract Assurance
Under 49 CFR 26.13(b)
CONTRACTOR, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this AGREEMENT. CONTRACTOR shall carry out applicable requirements of 49 CFR 26 in the award and administration of federal-aid contracts.
Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

(1) Withholding monthly progress payments;
(2) Assessing sanctions;
(3) Liquidated damages; and/or
(4) Disqualifying the CONTRACTOR from future proposing as non-responsible

E. Termination and Replacement of DBE Subcontractors
CONTRACTOR shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless CONTRACTOR or DBE Subcontractor obtains the COUNTY's written consent. CONTRACTOR shall not terminate or replace a listed DBE for convenience and perform the work with their own forces or obtain materials from other sources without authorization from the COUNTY. Unless the COUNTY's consent is provided, the CONTRACTOR shall not be entitled to any payment for work or

material unless it is performed or supplied by the listed DBE on the Exhibit 10-02: Consultant Contract DBE Commitment form.

Termination of DBE Subconsultants

After execution of the AGREEMENT, termination of a DBE may be allowed for the following, but not limited to, justifiable reasons with prior written authorization from the COUNTY:

1. Listed DBE fails or refuses to execute a written contract based on plans and specifications for the project.
2. The COUNTY stipulated that a bond is a condition of executing the subcontract and the listed DBE fails to meet the COUNTY's bond requirements.
3. Work requires a contractor's license and listed DBE does not have a valid license under Contractors License Law.
4. Listed DBE fails or refuses to perform the work or furnish the listed materials (failing or refusing to perform is not an allowable reason to remove a DBE if the failure or refusal is a result of bad faith or discrimination).
5. Listed DBE's work is unsatisfactory and not in compliance with the contract.
6. Listed DBE is ineligible to work on the project because of suspension or debarment.
7. Listed DBE becomes bankrupt or insolvent or exhibits credit unworthiness.
8. Listed DBE voluntarily withdraws with written notice from the AGREEMENT.
9. Listed DBE is ineligible to receive credit for the type of work required.
10. Listed DBE owner dies or becomes disabled resulting in the inability to perform the work on the AGREEMENT.
11. The COUNTY determines other documented good cause.

CONTRACTOR must use the following procedures to request the termination of a DBE or portion of a DBE's work:

1. Send a written notice to the DBE of the CONTRACTOR's intent to use other forces or material sources and include one or more justifiable reasons listed above. Simultaneously send a copy of this written notice to the COUNTY. The written notice to the DBE must request they provide any response within five (5) business days to both the CONTRACTOR and the COUNTY by either acknowledging their agreement or documenting their reasoning as to why the use of other forces or sources of materials should not occur.
2. If the DBE does not respond within five (5) business days, CONTRACTOR may move forward with the request as if the DBE had agreed to CONTRACTOR's written notice.
3. Submit CONTRACTOR's DBE termination request by written letter to the COUNTY and include:
    - One or more above listed justifiable reasons along with supporting documentation.
    - CONTRACTOR's written notice to the DBE regarding the request, including proof of transmission and tracking documentation of CONTRACTOR's written notice.
    - The DBE's response to CONTRACTOR's written notice, if received. If a written response was not provided, provide a statement to that effect.

The COUNTY shall respond in writing to CONTRACTOR's DBE termination request within five (5) business days.

Replacement of DBE Subcontractors

After receiving the COUNTY'S written authorization of DBE termination request, CONTRACTOR must obtain the COUNTY'S written agreement for DBE replacement. CONTRACTOR must find or demonstrate GFEs to find qualified DBE replacement firms to perform the work to the extent needed to meet the DBE commitment.

The following procedures shall be followed to request authorization to replace a DBE firm:

1. Submit a request to replace a DBE with other forces or material sources in writing to the COUNTY which must include:

    a. Description of remaining uncommitted work item made available for replacement DBE solicitation and participation.
    b. The proposed DBE replacement firm's business information, the work they have agreed to perform, and the following:
        - Description of scope of work and cost proposal
        - Proposed subcontract agreement and written confirmation of agreement to perform on the Contract
        - Revised Exhibit 10-O2: Consultant Contract DBE Commitment

2. If CONTRACTOR has not identified a DBE replacement firm, submits documentation of CONTRACTOR's GFEs to use DBE replacement firms within seven (7) days of COUNTY's authorization to terminate the DBE. CONTRACTOR may request the COUNTY's approval to extend this submittal period to a total of 14 days. Submit documentation of actions taken to find a DBE replacement firm, such as:

    - Search results of certified DBEs available to perform the original DBE work identified and or other work CONTRACTOR had intended to self-perform, to the extent needed to meet DBE commitment
    - Solicitations of DBEs for performance of work identified
    - Correspondence with interested DBEs that may have included contract details and requirements
    - Negotiation efforts with DBEs that reflect why an agreement was not reached
    - If a DBE's quote was rejected, provide reasoning for the rejection, such as why the DBE was unqualified for the work, or why the price quote was unreasonable or excessive
    - Copies of each DBE's and non-DBE's price quotes for work identified, as the COUNTY may contact the firms to verify solicitation efforts and determine if the DBE quotes are substantially higher
    - Additional documentation that supports CONTRACTOR's GFE

The COUNTY shall respond in writing to CONTRACTOR's DBE replacement request within five (5) business days.

F. Commitment and Utilization

The COUNTY's DBE program must include a monitoring and enforcement mechanism to ensure that DBE commitments reconcile to DBE utilization. The COUNTY shall request CONTRACTOR to:

1. Notify the COUNTY's Contract Administrator or designated representative of any changes to its anticipated DBE participation

2. Provide this notification before starting the affected work

3. Maintain records including:

    - Name and business address of each First-Tier subcontractor

- Name and business address of each DBE subcontractor, DBE vendor, and DBE trucking company, regardless of tier
- Date of payment and total amount paid to each business (see Exhibit 9-F *Monthly Disadvantaged Business Enterprise Payment*)

If CONTRACTOR is a DBE CONTRACTOR, they shall include the date of work performed by their own forces and the corresponding value of the work.

If a DBE is decertified before completing its work, the DBE must notify CONTRACTOR in writing of the decertification date. If a business becomes a certified DBE before completing its work, the business must notify CONTRACTOR in writing of the certification date. CONTRACTOR shall submit the notifications to the COUNTY. On work completion, CONTRACTOR shall complete a Disadvantaged Business Enterprises (DBE) Certification Status Change, Exhibit 17-O, form and submit the form to the COUNTY within thirty (30) days of contract acceptance.

Upon work completion, CONTRACTOR shall complete Exhibit 17-F Final Report – Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors and submit it to the COUNTY within ninety (90) days of AGREEMENT acceptance. The COUNTY will withhold ten thousand dollars ($10,000) until the form is submitted. The COUNTY will release the withhold upon submission of the completed form.

In the COUNTY's reports of DBE participation to Caltrans, the COUNTY must display both commitments and attainments.

G. COMMERCIALLY USEFUL FUNCTION

DBEs must perform a commercially useful function (CUF) under 49 CFR 26.55 when performing work or supplying materials listed on the DBE Commitment form. The DBE value of work will only count toward the DBE commitment if the DBE performs a CUF. A DBE performs a CUF when it is responsible for execution of the work of the AGREEMENT and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a CUF, the DBE must also be responsible, with respect to materials and supplies used on the AGREEMENT, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable), and paying for the material itself.

CONTRACTOR must perform CUF evaluation for each DBE working on a federal-aid contract, with or without a DBE goal. Perform a CUF evaluation at the beginning of the DBE's work and continue to monitor the performance of CUF for the duration of the project.

CONTRACTOR must provide written notification to the COUNTY at least 15 days in advance of each DBE's initial performance of work or supplying materials for the AGREEMENT. The notification must include the DBE's name, work the DBE will perform on the contract, and the location, date, and time of where their work will take place.

Within 10 days of a DBE initially performing work or supplying materials on the AGREEMENT, CONTRACTOR shall submit to the LPA the initial evaluation and validation of DBE performance of a CUF using the LAPM 9-J: Disadvantaged Business Enterprise Commercially Useful Function Evaluation. Include the following information with the submittal:

- Subcontract agreement with the DBE
- Purchase orders

- Bills of lading
- Invoices
- Proof of payment

CONTRACTOR must monitor all DBE's performance of CUF by conducting quarterly evaluations and validations throughout their duration of work on the AGREEMENT t using the LAPM 9-J: DBE Commercially Useful Function Evaluation. CONTRACTOR must submit to the COUNTY these quarterly evaluations and validations by the 5th of the month for the previous three months of work.

CONTRACTOR must notify the COUNTY immediately if they believe the DBE may not be performing a CUF.

The COUNTY will verify DBEs performance of CUF by reviewing the initial and quarterly submissions of LAPM 9-J: DBE Commercially Useful Function Evaluation, submitted supporting information, field observations, and through any additional COUNTY evaluations. The COUNTY must evaluate DBEs and their CUF performance throughout the duration of the AGREEMENT. The COUNTY will provide written notice to the CONTRACTOR and the DBE at least two (2) business days prior to any evaluation. The CONTRACTOR and the DBE must participate in the evaluation. Upon completing the evaluation, the COUNTY must share the evaluation results with the CONTRACTOR and the DBE. An evaluation could include items that must be remedied upon receipt. If the COUNTY determines the DBE is not performing a CUF, the CONTRACTOR must suspend performance of the noncompliant work.

CONTRACTOR and DBEs must submit any additional CUF related records and documents within five (5) business days of COUNTY's request such as:

- Proof of ownership or lease and rental agreements for equipment
- Tax records
- Employee rosters
- Certified payroll records
- Inventory rosters

Failure to submit required DBE Commercially Useful Function Evaluation forms or requested records and documents can result in withholding of payment for the value of work completed by the DBE.

If CONTRACTOR and/or the COUNTY determine that a listed DBE is not performing a CUF in performance of their DBE committed work, CONTRACTOR must immediately suspend performance of the noncompliant portion of the work. COUNTY may deny payment for the noncompliant portion of the work. COUNTY will ask the CONTRACTOR to submit a Corrective Action Plan (CAP) to the COUNTY within five (5) days of the noncompliant CUF determination. The CAP must identify how the CONTRACTOR will correct the noncompliance findings for the remaining portion of the DBE's work. COUNTY has five (5) days to review the CAP in conjunction with the CONTRACTOR's review. The CONTRACTOR must implement the CAP within five (5) days of the COUNTY's approval. The COUNTY will then authorize the prior noncompliant portion of work for the DBE's committed work.

If corrective actions cannot be accomplished to ensure the DBE performs a commercially useful function on the AGREEMENT, CONTRACTOR may have good cause to request termination of the DBE.

H. A DBE does not perform a CUF if its role is limited to that of an extra participant in a transaction, AGREEMENT, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, examine similar transactions, particularly those in which DBEs do not participate.

I. If a DBE does not perform or exercise responsibility for at least thirty percent (30%) of the total cost of its AGREEMENT with its own work force, or the DBE subcontracts a greater portion of the work of the AGREEMENT than would be expected on the basis of normal industry practice for the type of work involved, it will be presumed that it is not performing a CUF.

J. CONTRACTOR shall maintain records of materials purchased or supplied from all subcontracts entered into with certified DBEs. The records shall show the name and business address of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all firms. DBE contractors shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.

K. If a DBE subcontractor is decertified during the life of the AGREEMENT, the decertified subcontractor shall notify CONTRACTOR in writing with the date of decertification. If a subcontractor becomes a certified DBE during the life of the AGREEMENT, the subcontractor shall notify CONTRACTOR in writing with the date of certification. Any changes should be reported to COUNTY's Contract Administrator within thirty (30) calendar days.

L. For projects awarded on or after March 1, 2020, but before September 1, 2023: after submitting an invoice for reimbursement that includes a payment to a DBE, but no later than the 10th of the following month, the prime contractor/consultant must complete and email Exhibit 9-F: Disadvantaged Business Enterprise Running Tally of Payments to business.support.unit@dot.ca.gov with a copy to local administering agencies.

For projects awarded on or after September 1, 2023: Exhibit 9-F is no longer required. Instead, by the 15th of the month following the month of any payment(s), the CONTRACTOR must now submit Exhibit 9-P to the COUNTY administering the contract. If the CONTRACTOR does not make any payments to subcontractors, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

M. Any subcontract entered into as a result of this AGREEMENT shall contain all of the provisions of this section.

Article XIX Insurance

(Choose either Option 1 or Option 2)

☐ (Option 1 – For AGREEMENT with a scope of services that may require the CONTRACTOR or subcontractor to work within the operating state or County Highway Right of Way; where there would be exposure to public traffic or construction operations.)

A. Prior to commencement of the work described herein, CONTRACTOR shall furnish COUNTY a Certificate of Insurance stating that there is general comprehensive liability insurance presently in effect for CONTRACTOR with a combined single limit (CSL) of not less than one million dollars ($1,000,000) per occurrence.

B. The Certificate of Insurance will provide:

1. That the insurer will not cancel the insured's coverage without thirty (30) calendar days prior

written notice to COUNTY.

2. That COUNTY, its officers, agents, employees, and servants are included as additional insureds, but only insofar as the operations under this AGREEMENT are concerned.

3. That COUNTY will not be responsible for any premiums or assessments on the policy.

C. CONTRACTOR agrees that the bodily injury liability insurance herein provided for, shall be in effect at all times during the term of this AGREEMENT. In the event said insurance coverage expires at any time or times during the term of this AGREEMENT, CONTRACTOR agrees to provide at least thirty (30) calendar days prior notice to said expiration date; and a new Certificate of Insurance evidencing insurance coverage as provided for herein, for not less than either the remainder of the term of the AGREEMENT, or for a period of not less than one (1) year. New Certificates of Insurance are subject to the approval of COUNTY. In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein provided, COUNTY may, in addition to any other remedies it may have, terminate this AGREEMENT upon occurrence of such event.

☐ (Option 2 – For AGREEMENTS with a scope of services that will not require the Contractor or subcontractor to work within the operating State or County Highway Right of Way where there would be exposure to public traffic or construction Contractor operations.)

CONTRACTOR is not required to show evidence of general comprehensive liability insurance.

Article XX Funding Requirements

A. It is mutually understood between the parties that this AGREEMENT may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if the AGREEMENTs were executed after that determination was made.

B. This AGREEMENT is valid and enforceable only if sufficient funds are made available to COUNTY for the purpose of this AGREEMENT. In addition, this AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or COUNTY governing board that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

C. It is mutually agreed that if sufficient funds are not appropriated, this AGREEMENT may be amended to reflect any reduction in funds.

D. COUNTY has the option to terminate the AGREEMENT pursuant to Article VI Termination, or by mutual agreement to amend the AGREEMENT to reflect any reduction of funds.

Article XXI Change in Terms

A. This AGREEMENT may be amended or modified only by mutual written agreement of the parties.

B. CONTRACTOR shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by COUNTY's Contract Administrator.

C. There shall be no change in CONTRACTOR's Project Manager or members of the project team, as listed in the approved Cost Proposal, which is a part of this AGREEMENT without prior written approval by COUNTY's Contract Administrator.

Article XXI Contingent Fee

CONTRACTOR warrants, by execution of this AGREEMENT that no person or selling agency has been employed, or retained, to solicit or secure this AGREEMENT upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by CONTRACTOR for the purpose of securing business. For breach or violation of this warranty, COUNTY has the right to annul this AGREEMENT without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the AGREEMENT price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

Article XXII Disputes

Prior to either party commencing any legal action under this AGREEMENT, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

(Choose either Option 1 or Option 2)

☐ (Option 1- Use paragraphs A through C below for all AGREEMENTs without PS&E submittal)

A. Any dispute, other than audit, concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by a committee consisting of COUNTY's Contract Administrator and _____, who may consider written or verbal information submitted by CONTRACTOR.

B. Not later than thirty (30) calendar days after completion of all work under the contract, CONTRACTOR may request review by COUNTY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

C. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONTRACTOR from full and timely performance in accordance with the terms of this AGREEMENT.

☒ (Option 2 – Replace Paragraph B, above, with the following for AGREEMENTS requiring the submission of PS&E)

B. Not later than thirty (30) calendar days after completion of all deliverables necessary to complete the plans, specifications and estimate, CONTRACTOR may request review by COUNTY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

Article XXIV Inspection of Work

CONTRACTOR and any subcontractor shall permit COUNTY, the state, and the FHWA if federal participating funds are used in this AGREEMENT; to review and inspect the project activities and files at all reasonable times during the performance period of this AGREEMENT.

Article XXV Safety

A. CONTRACTOR shall comply with OSHA regulations applicable to CONTRACTOR regarding necessary safety equipment or procedures. CONTRACTOR shall comply with safety instructions issued by COUNTY Safety Officer and other COUNTY representatives. CONTRACTOR personnel shall wear hard hats and safety vests at all times while working on the construction project site.

B. Pursuant to the authority contained in Vehicle Code §591, COUNTY has determined that such areas are within the limits of the project and are open to public traffic. CONTRACTOR shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. CONTRACTOR shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

C. Any subcontract entered into as a result of this contract, shall contain all of the provisions of this Article.

(Add the following paragraph to all AGREEMENTS which may require trenching of five (5) feet or deeper)

D. CONSULTANT must have a Division of Occupational Safety and Health (CAL-OSHA) permit(s), as outlined in Labor Code §6500 and §6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five (5) feet or deeper.

Article XXVI Ownership of Data

A. It is mutually agreed that all materials prepared by CONTRACTOR under this AGREEMENT shall become the property of COUNTY, and CONTRACTOR shall have no property right therein whatsoever. Immediately upon termination, COUNTY shall be entitled to, and CONTRACTOR shall deliver to COUNTY, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by CONTRACTOR in performing this AGREEMENT which is not CONTRACTOR's privileged information, as defined by law, or CONTRACTOR's personnel information, along with all other property belonging exclusively to COUNTY which is in CONTRACTOR's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this AGREEMENT must be approved in writing by COUNTY.

B. Additionally, it is agreed that the Parties intend this to be an AGREEMENT for services and each considers the products and results of the services to be rendered by CONTRACTOR hereunder to be work made for hire. CONTRACTOR acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of COUNTY without restriction or limitation upon its use or dissemination by COUNTY.

C. Nothing herein shall constitute or be construed to be any representation by CONTRACTOR that the work product is suitable in any way for any other project except the one detailed in this AGREEMENT. Any reuse by COUNTY for another project or project location shall be at COUNTY's sole risk.

D. Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27 Subpart 27.3 -Patent Rights under Government Contracts for federal-aid contracts).

E. COUNTY may permit copyrighting reports or other agreement products. If copyrights are permitted; the AGREEMENT shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

Article XXVII Claims Filed by County's Construction Contractor

A. If claims are filed by COUNTY's construction contractor relating to work performed by CONTRACTOR's personnel, and additional information or assistance from CONTRACTOR's personnel is required in order to evaluate or defend against such claims; CONTRACTOR agrees to make its personnel available for consultation with COUNTY'S construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

B. CONTRACTOR's personnel that COUNTY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from COUNTY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for CONTRACTOR's personnel services under this AGREEMENT.

C. Services of CONTRACTOR's personnel in connection with COUNTY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this AGREEMENT in order to resolve the construction claims.

Article XXVIII Confidentiality of Data

A. All financial, statistical, personal, technical, or other data and information relative to COUNTY's operations, which are designated confidential by COUNTY and made available to CONTRACTOR in order to carry out this AGREEMENT, shall be protected by CONTRACTOR from unauthorized use and disclosure.

B. Permission to disclose information on one occasion, or public hearing held by COUNTY relating to the AGREEMENT, shall not authorize CONTRACTOR to further disclose such information, or disseminate the same on any other occasion.

C. CONTRACTOR shall not comment publicly to the press or any other media regarding the contract or COUNTY's actions on the same, except to COUNTY's staff, CONTRACTOR's own personnel involved in the performance of this AGREEMENT, at public hearings or in response to questions from a Legislative committee.

D. CONTRACTOR shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this contract without prior review of the contents thereof by COUNTY, and receipt of COUNTY's written permission.

E. Any subagreement entered into as a result of this AGREEMENT shall contain all of the provisions of this Article.

(For PS&E contracts, add paragraph F below, to paragraphs A through E above)

F. All information related to the construction estimate is confidential, and shall not be disclosed by CONTRACTOR to any entity other than COUNTY, Caltrans, and/or FHWA. All of the materials prepared or assembled by CONTRACTOR pursuant to performance of this AGREEMENT are confidential and

CONTRACTOR agrees that they shall not be made available to any individual or organization without the prior written approval of COUNTY or except by court order. If CONTRACTOR or any of its officers, employees, or subcontractors does voluntarily provide information in violation of this AGREEMENT, COUNTY has the right to reimbursement and indemnity from CONTRACTOR for any damages caused by CONTRACTOR releasing the information, including, but not limited to, COUNTY's attorney's fees and disbursements, including without limitation experts' fees and disbursements.

Article XXIX National Labor Relations Board Certification

In accordance with Public Contract Code Section 10296, CONTRACTOR hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against CONTRACTOR within the immediately preceding two (2)-year period, because of CONTRACTOR's failure to comply with an order of a federal court that orders CONTRACTOR to comply with an order of the National Labor Relations Board.

Article XXX Evaluation of Contractor

CONTRACTOR's performance will be evaluated by COUNTY. A copy of the evaluation will be sent to CONTRACTOR for comments. The evaluation together with the comments shall be retained as part of the AGREEMENT record.

Article XXXI Prompt Payment

A. PROMPT PAYMENT FROM LOCAL AGENCY TO CONTRACTOR

The COUNTY shall make all project progress payments within 30 days after receipt of an undisputed and properly submitted payment request from CONTRACTOR. If COUNTY fails to pay promptly, the COUNTY shall pay interest to the CONTRACTOR, which accrues at the rate of 10 percent per annum on the principal amount of a money judgment remaining unsatisfied and pro-rated as necessary. Upon receipt of the payment request, the COUNTY shall act in accordance with both of the following:

(1) The COUNTY shall review each payment request as soon as feasible after receipt to verify it is a proper payment request.

(2) The COUNTY must return any payment request deemed improper by the COUNTY to the CONTRACTOR as soon as feasible, but not later than seven (7) days, after receipt. A request returned pursuant to this paragraph shall include documentation setting forth in writing the reasons why it is an improper payment request.

B. PROMPT PAYMENT CERTIFICATION

For projects awarded on or after September 1, 2023: the CONTRACTOR must now submit Exhibit 9-P to the COUNTY administering the AGREEMENT by the 15th of the month following the month of any payment(s). If the CONTRACTOR does not make any payments to subconsultants, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

The COUNTY must verify all Exhibit 9-P information, monitor compliance with prompt payment requirements for DBE and non-DBE firms, and address any shortfalls to the DBE commitment and prompt payment issues until the end of the project. The COUNTY must email a copy of Exhibit 9-P to DBE.Forms@dot.ca.gov before the end of the month after receiving the Exhibit 9-P from the CONTRACTOR

ARTICLE XXXII TITLE VI ASSURANCES

APPENDICES A-E of the TITLE VI ASSURANCES

The U.S. Department of Transportation Order No.1050.2A requires all federal-aid Department of Transportation contracts between an agency and a consultant to contain Appendices A and E of the Title VI Assurances. Include Appendices B, C, and D if appliable as shown below. In addition, the consultant must

include the Title VI Assurances Appendices A and E, and if applicable Appendices B, C, and D in all subcontracts to perform work under the AGREEMENT.

The clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to COUNTY.

The clauses set forth in Appendix C and Appendix D of this Assurance shall be included as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the COUNTY with other parties:

a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.]

APPENDIX A

During the performance of this Agreement, the CONTRACTOR, for itself, its assignees and successors in interest (hereinafter collectively referred to as CONSULTANT) agrees as follows:

a. Compliance with Regulations: CONTRACTOR shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

b. Nondiscrimination: CONTRACTOR, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the agreement covers a program set forth in Appendix B of the Regulations.

c. Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by CONTRACTOR for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by CONTRACTOR of the CONTRACTOR's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

d. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the recipient or FHWA to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the recipient or FHWA as appropriate, and shall set forth what efforts CONTRACTOR has made to obtain the information.

e. Sanctions for Noncompliance: In the event of CONTRACTOR's noncompliance with the nondiscrimination provisions of this agreement, the recipient shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

   i. withholding of payments to CONTRACTOR under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

   ii. cancellation, termination or suspension of the Agreement, in whole or in part.

f. Incorporation of Provisions: CONTRACTOR shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

CONTRACTOR shall take such action with respect to any sub-agreement or procurement as the recipient or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, CONTRACTOR may request the recipient enter into such litigation to protect the interests of the State, and, in addition, CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX B
CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Assurance 4:

NOW THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the recipient will accept title to the lands and maintain the project constructed thereon in accordance with Title 23 U.S.C., the regulations for the administration of the preceding statute, and the policies and procedures prescribed by the FHWA of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the recipient all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto the recipient and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the recipient, its successors and assigns. The recipient, in consideration of the conveyance of said lands and interest in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the recipient will use the lands and interests in lands and interest in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal

Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended [, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said lands, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the recipient pursuant to the provisions of Assurance 7(a):

A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:

    1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations(as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the recipient will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*

C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the recipient will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THEACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by the recipient pursuant to the provisions of Assurance 7(b):

A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest ,and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishings of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits or, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

B. With respect to (licenses, leases, permits, etc.) in the event of breach of any of the above of the above Non-discrimination covenants, the recipient will have the right to terminate the (license, permits, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, the recipient will there upon revert to and vest in and become the absolute property of the recipient and its assigns.

APPENDIX E

During the performance of this AGREEMENT, the CONSULTANT, for itself, its assignees, and successors in interest (hereinafter referred to as the "CONSULTANT") agrees to comply with the following nondiscrimination statutes and authorities, including, but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42
- U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), prohibits discrimination on the basis of sex;
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination of the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation,

and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations 49 C.F.R. parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English Proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C.1681 et seq).

ARTICLE XXXIII NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this AGREEMENT and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

CONTRACTOR:_____
_____
_____
_____

COUNTY: _____
_____
_____
_____

ARTICLE XXXIII AGREEMENT

The two (2) parties to this AGREEMENT, who are the before named CONTRACTOR and the COUNTY, hereby agree that this AGREEMENT constitutes the entire AGREEMENT which is made and concluded in duplicate between the two (2) parties. Both of these parties for and in consideration of the payments to be made, conditions mentioned, and work to be performed; each agree to diligently perform in accordance with the terms and conditions of this AGREEMENT as evidenced by the signatures below.

ARTICLE XXXIV SIGNATURES

_____ _____
(Name of Signer) (Name of Signer)

_____ _____

Date Date

CALTRANS LOCAL ASSISTANCE PROCEDURES MANUAL FORMS

The following forms can be viewed and downloaded in fillable format at: https://dot.ca.gov/programs/local-assistance/forms/local-assistance-procedures-manual-forms

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant _____

Project No. _____ Contract No. _____ Date _____

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
(Project Manager)*	_____	_____	$ _____	$ _____
(Sr. Civil Engineer)	_____	_____	$ _____	$ _____
(Envir. Scientist)	_____	_____	$ _____	$ _____
(Inspector)**	_____	_____	$ _____	$ _____

LABOR COSTS

a) Subtotal Direct Labor Costs $ _____

b) Anticipated Salary Increases (see page 2 for calculation) $ _____

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] **$ _____**

INDIRECT COSTS

d) Fringe Benefits (Rate: _____%) e) Total Fringe Benefits [(c) x (d)] $ _____

f) Overhead (Rate: _____%) g) Overhead [(c) x (f)] $ _____

h) General and Administrative (Rate: _____%) i) Gen & Admin [(c) x (h)] $ _____

j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] **$ _____**

FIXED FEE k) **TOTAL FIXED FEE** [(c) + (j)] x fixed fee _____%] **$ _____**

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$

l) **TOTAL OTHER DIRECT COSTS** $ _____

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: $ _____

Subconsultant 2: $ _____

Subconsultant 3: $ _____

Subconsultant 4: $ _____

m) **TOTAL SUBCONSULTANTS' COSTS** $ _____

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS** [(l)+(m)] $ _____

TOTAL COST [(c) + (j) + (k) + (n)] $ _____

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	**5 Year Contract Duration**
$250,000.00	5000	=	$50.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	$50.00	+	2%	=	$51.00	Year 2 Avg Hourly Rate
Year 2	$51.00	+	2%	=	$52.02	Year 3 Avg Hourly Rate
Year 3	$52.02	+	2%	=	$53.06	Year 4 Avg Hourly Rate
Year 4	$53.06	+	2%	=	$54.12	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	20.0%	*	5000	=	1000	Estimated Hours Year 1
Year 2	40.0%	*	5000	=	2000	Estimated Hours Year 2
Year 3	15.0%	*	5000	=	750	Estimated Hours Year 3
Year 4	15.0%	*	5000	=	750	Estimated Hours Year 4
Year 5	10.0%	*	5000	=	500	Estimated Hours Year 5
Total	100%		Total	=	5000	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	$50.00	*	1000	=	$50,000.00	Estimated Hours Year 1
Year 2	$51.00	*	2000	=	$102,000.00	Estimated Hours Year 2
Year 3	$52.02	*	750	=	$39,015.00	Estimated Hours Year 3
Year 4	$53.06	*	750	=	$39,795.30	Estimated Hours Year 4
Year 5	$54.12	*	500	=	$27,060.80	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	$257,871.10	
	Direct Labor Subtotal before Escalation			=	$250,000.00	
	Estimated total of Direct Labor Salary Increase			=	**$7,871.10**	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. $250,000 x 2% x 5 yrs = $25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.
Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: _____ Title *:_____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed

Consultant _____ ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Project No. _____ Contract No. _____ Participation Amount $_____ Date _____

For Combined Rate				
	Fringe Benefit %	+ General &Administrative %	=	Combined ICR%
OR				
For Home Office Rate				
	Fringe Benefit %	+ General &Administrative %	=	Home Office ICR%
For Field Office Rate				
	Fringe Benefit %	+ General &Administrative %	=	Field Office ICR%

Fee	=	%

BILLING INFORMATION / CALCULATION INFORMATION

Name/Job Title/Classification[1]	Hourly Billing Rates[2] Straight[3]	OT(1.5x)	OT(2x)	Effective Date of Hourly Rate From	To	Actual **or** Avg. Hourly Rate[4]	% or $ Increase	Hourly Range - for Classifications Only
John Doe – Project Manager *	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Civil Engineer II	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Sue Jones – Construction	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Engineer/Inspector	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
Engineer I	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Buddy Black – Claims Engineer	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Engineer III	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Land Surveyor **	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		$00 - $00
	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	$00 - $00
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	$00 - $00
Technician	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		$00 - $00
	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	$00 - $00
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	$00 - $00

(Add pages as necessary)

NOTES:
1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**).All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended.
3. Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Consultant _____ ☐ Prime Consultant ☐ Subconsultant

Project No. _____ Contract No. _____ Date _____

SCHEDULE OF OTHER DIRECT COST ITEMS (Add additional pages as necessary)				
Description of Item	**Quantity**	**Unit**	**Unit Cost**	**Total**
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$
Vehicle			$	$
Subconsultant 1:				$
Subconsultant 2:				$
Subconsultant 3:				$
Subconsultant 4:				$
Subconsultant 5:				$

Note: Add additional pages if necessary.

NOTES:
1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.
2. Proposed ODC items should be consistently billed regardless of client and contract type.
3. Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.
4. Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice).
5. Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost.
6. Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.

7. If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be supported by mileage logs.
8. If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles that could be used for the same purpose.
9. The cost proposal format shall not be amended. All costs must comply with the Federal cost principles.
10. Add additional pages if necessary.
11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

7. Generally Accepted Accounting Principles (GAAP)
8. Terms and conditions of the contract
9. Title 23 United States Code Section 112 - Letting of Contracts
10. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
11. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
12. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: _____ Title *: _____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

January 2020

EXHIBIT 10-H3 COST PROPOSAL Page 1 of 2

COST PER UNIT OF WORK CONTRACTS
(GEOTECHNICAL AND MATERIAL TESTING)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant _____

Project No. _____ Contract No. _____ Date _____

Unit/Item of Work:
(Example: Log of Test Boring for Soils Report, or ADL Testing for Hazardous Waste Material Study)
Include as many Items as necessary.

DIRECT LABOR	Hours	Billing Hourly Rate ($)	Total ($)
Professional (Classification)*	_____	_____	_____
Sub-professional/Technical**	_____	_____	_____
EQUIPMENT 1 (with Operator)	_____	_____	_____
EQUIPMENT 2 (with Operator)	_____	_____	_____

Consultant's Other Direct Costs (ODC) – Itemize:

Description of Item	Quantity	Unit	Unit Cost	Total
ODC Example: Travel/Mileage Costs			$	$
ODC Example: Mobilization/De-mobilization			$	$
ODC Example: Supplies/Consumables			$	$
ODC Example: Report			$	$
ODC (List more ODCs as applicable)			$	$
Subconsultant 1:				$
Subconsultant 2:				$
Subconsultant 3:				$
Subconsultant 4:				$
Subconsultant 5:				$

Note: Attach additional pages if necessary.

TOTAL COST PER UNIT OF WORK **$_____**

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals. The cost proposal format shall not be amended.
2. Hourly billing rates should include prevailing wage rates and be consistent with publicly advertised rates charged to all clients (Commercial, Private or Public).
3. Mobilization/De-mobilization is based on site location and number and frequency of tests/items.
4. ODC items shall be based on actual costs and supported by historical data and other documentation.
5. ODC items that would be considered "tools of the trade" are not reimbursable.
6. Billing Hourly Rates must be actual, allowable, and reasonable.

EXHIBIT 10-H3 COST PROPOSAL Page 2 of 2

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

13. Generally Accepted Accounting Principles (GAAP)
14. Terms and conditions of the contract
15. Title 23 United States Code Section 112 - Letting of Contracts
16. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
17. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
18. 48 Code of Federal Regulation Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: _____ Title*: _____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

January 2020

EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant's Full Legal Name: _____

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate _____ % **OR**

Home Office Rate _____ % and Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period * _____

* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

All A&E Contract Information:

- Total participation amount $_____ on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is_____.
- Years of consultant's experience with 48 CFR Part 31 is_____.
- Audit history of the consultant's current and prior years (if applicable)
  - ☐ Cognizant ICR Audit
  - ☐ Local Gov't ICR Audit
  - ☐ Caltrans ICR Audit
  - ☐ CPA ICR Audit
  - ☐ Federal Gov't ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name**:_____ Title**:_____

Signature:_____ Date of Certification (mm/dd/yyyy):_____

Email**:_____ Phone Number**:_____

**An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: ***Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.***

Distribution: 1) Original - Local Agency Project File
2) Copy - Consultant
3) Copy - Caltrans Audits and Investigations

Reset Form

EXHIBIT 10-O1 CONSULTANT PROPOSAL DBE COMMITMENT

1. Local Agency: _____ 2. Contract DBE Goal: _____
3. Project Description: _____
4. Project Location: _____
5. Consultant's Name: _____ 6. Prime Certified DBE: ☐

7. Description of Work, Service, or Materials Supplied	8. DBE Certification Number	9. DBE Contact Information	10. DBE %

Local Agency to Complete this Section		
17. Local Agency Contract Number: _____ 18. Federal-Aid Project Number: _____ 19. Proposed Contract Execution Date: _____ 20. Consultant's Ranking after Evaluation: _____ Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate. _____ _____ _____ _____ _____	**11. TOTAL CLAIMED DBE PARTICIPATION**	**%**
	IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Written confirmation of each listed DBE is required. 12. Preparer's Signature _____ 13. Date _____ 14. Preparer's Name _____ 15. Phone _____ 16. Preparer's Title _____	

DISTRIBUTION: Original – Included with consultant's proposal to local agency.

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

INSTRUCTIONS – CONSULTANT PROPOSAL DBE COMMITMENT

CONSULTANT SECTION

1. Local Agency - Enter the name of the local or regional agency that is funding the contract.
2. Contract DBE Goal - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. Project Location - Enter the project location as it appears on the project advertisement.
4. Project Description - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc.).
5. Consultant's Name - Enter the consultant's firm name.
6. Prime Certified DBE - Check box if prime contractor is a certified DBE.
7. Description of Work, Services, or Materials Supplied - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime consultant's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
8. DBE Certification Number - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
9. DBE Contact Information - Enter the name, address, and phone number of all DBE subcontracted consultants. Also, enter the prime consultant's name and phone number, if the prime is a DBE.
10. DBE % - Percent participation of work to be performed or service provided by a DBE. Include the prime consultant if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
11. Total Claimed DBE Participation % - Enter the total DBE participation claimed. If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
12. Preparer's Signature - The person completing the DBE commitment form on behalf of the consultant's firm must sign their name.
13. Date - Enter the date the DBE commitment form is signed by the consultant's preparer.
14. Preparer's Name - Enter the name of the person preparing and signing the consultant's DBE commitment form.
15. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
16. Preparer's Title - Enter the position/title of the person signing the consultant's DBE commitment form.

LOCAL AGENCY SECTION

17. Local Agency Contract Number - Enter the Local Agency contract number or identifier.
18. Federal-Aid Project Number - Enter the Federal-Aid Project Number.
19. Proposed Contract Execution Date - Enter the proposed contract execution date.
20. Consultant's Ranking after Evaluation – Enter consultant's ranking after all submittals/consultants are evaluated. Use this as a quick comparison for evaluating most qualified consultant.
21. Local Agency Representative's Signature - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Consultant Section of this form is complete and accurate.
22. Date - Enter the date the DBE commitment form is signed by the Local Agency Representative.
23. Local Agency Representative's Name - Enter the name of the Local Agency Representative certifying the consultant's DBE commitment form.
24. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
25. Local Agency Representative Title - Enter the position/title of the Local Agency Representative certifying the consultant's DBE commitment form.

EXHIBIT 10-O2 CONSULTANT CONTRACT DBE COMMITMENT

1. Local Agency: _____ 2. Contract DBE Goal: _____
3. Project Description: _____
4. Project Location: _____
5. Consultant's Name: _____ 6. Prime Certified DBE: ☐ 7. Total Contract Award Amount: _____
8. Total Dollar Amount for ALL Subconsultants: _____ 9. Total Number of ALL Subconsultants: _____

10. Description of Work, Service, or Materials Supplied	11. DBE Certification Number	12. DBE Contact Information	13. DBE Dollar Amount

Local Agency to Complete this Section			
20. Local Agency Contract Number: _____ 21. Federal-Aid Project Number: _____ 22. Contract Execution Date: _____		14. TOTAL CLAIMED DBE PARTICIPATION	$ %
Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate.		IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Written confirmation of each listed DBE is required.	
23. Local Agency Representative's Signature	24. Date	15. Preparer's Signature	16. Date
25. Local Agency Representative's Name	26. Phone	17. Preparer's Name	18. Phone
27. Local Agency Representative's Title		19. Preparer's Title	

DISTRIBUTION: 1. Original – Local Agency
2. Copy – Caltrans District Local Assistance Engineer (DLAE). Failure to submit to DLAE within 30 days of contract execution may result in de-obligation of federal funds on contract.

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

INSTRUCTIONS – CONSULTANT CONTRACT DBE COMMITMENT

CONSULTANT SECTION

1. Local Agency - Enter the name of the local or regional agency that is funding the contract.
2. Contract DBE Goal - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. Project Description - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc).
4. Project Location - Enter the project location as it appears on the project advertisement.
5. Consultant's Name - Enter the consultant's firm name.
6. Prime Certified DBE - Check box if prime contractor is a certified DBE.
7. Total Contract Award Amount - Enter the total contract award dollar amount for the prime consultant.
8. Total Dollar Amount for ALL Subconsultants – Enter the total dollar amount for all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
9. Total number of ALL subconsultants – Enter the total number of all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
10. Description of Work, Services, or Materials Supplied - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime consultant's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
11. DBE Certification Number - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
12. DBE Contact Information - Enter the name, address, and phone number of all DBE subcontracted consultants. Also, enter the prime consultant's name and phone number, if the prime is a DBE.
13. DBE Dollar Amount - Enter the subcontracted dollar amount of the work to be performed or service to be provided. Include the prime consultant if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
14. Total Claimed DBE Participation - $: Enter the total dollar amounts entered in the "DBE Dollar Amount" column. %: Enter the total DBE participation claimed ("Total Participation Dollars Claimed" divided by item "Total Contract Award Amount"). If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
15. Preparer's Signature - The person completing the DBE commitment form on behalf of the consultant's firm must sign their name.
16. Date - Enter the date the DBE commitment form is signed by the consultant's preparer.
17. Preparer's Name - Enter the name of the person preparing and signing the consultant's DBE commitment form.
18. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
19. Preparer's Title - Enter the position/title of the person signing the consultant's DBE commitment form.

LOCAL AGENCY SECTION

20. Local Agency Contract Number - Enter the Local Agency contract number or identifier.
21. Federal-Aid Project Number - Enter the Federal-Aid Project Number.
22. Contract Execution Date - Enter the date the contract was executed.
23. Local Agency Representative's Signature - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Consultant Section of this form is complete and accurate.
24. Date - Enter the date the DBE commitment form is signed by the Local Agency Representative.
25. Local Agency Representative's Name - Enter the name of the Local Agency Representative certifying the consultant's DBE commitment form.
26. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
27. Local Agency Representative Title - Enter the position/title of the Local Agency Representative certifying the consultant's DBE commitment form.

EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:
☐ a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:
☐ a. bid/offer/application
b. initial award
c. post-award

3. Report Type:
☐ a. initial
b. material change

For Material Change Only:
year ____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity
☐ Prime ☐ Subawardee
Tier _____, if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

11. Individuals Performing Services
(including address if different from No. 10)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

12. Amount of Payment (check all that apply)
$_____ ☐ actual ☐ planned

13. Form of Payment (check all that apply):
☐ a. cash
☐ b. in-kind; specify: nature _____
Value _____

14. Type of Payment (check all that apply)
☐ a. retainer
☐ b. one-time fee
☐ c. commission
☐ d. contingent fee
☐ e deferred
☐ f. other, specify _____

15. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 12:

(attach Continuation Sheet(s) if necessary)

16. Continuation Sheet(s) attached: **Yes** ☐ **No** ☐

17. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Authorized for Local Reproduction

Standard Form - LLL

Federal Use Only:

Standard Form LLL Rev. 04-28-06

Distribution: Orig- Local Agency Project Files

INSTRUCTIONS FOR COMPLETING EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient at the initiation or receipt of covered federal action or a material change to previous filing pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is or has been secured to influence, the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state, and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to: subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, state, and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the Federal agency, enter the federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. Enter the full name, address, city, state, and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.
11. Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
12. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
13. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
14. Check all boxes that apply. If other, specify nature.
15. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with federal officials. Identify the federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
16. Check whether or not a continuation sheet(s) is attached.
17. The certifying official shall sign and date the form, and print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30-minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503. SF-LLL-Instructions Rev. 06-04

EXHIBIT 15-H: PROPOSER/CONTRACTOR GOOD FAITH EFFORTS

Cost Proposal Due Date _____ PE/CE
Federal-aid Project No(s). _____ Bid Opening Date _____ CON

The _____(Agency Name)_____established a Disadvantaged Business Enterprise (DBE) goal of _____% for this contract. The information provided herein shows the required good faith efforts to meet or exceed the DBE contract goal.

Proposers or bidders submit the following information to document their good faith efforts within five (5) calendar days from cost proposal due date or bid opening. Proposers and bidders are recommended to submit the following information even if the Exhibit 10-O1: Consultant Proposal DBE Commitments or Exhibit 15-G: Construction Contract DBE Commitment indicate that the proposer or bidder has met the DBE goal. This form protects the proposer's or bidder's eligibility for award of the contract if the administering agency determines that the bidder failed to meet the goal for various reasons, e.g., a DBE firm was not certified at bid opening, or the bidder made a mathematical error.

The following items are listed in the Section entitled "Submission of DBE Commitment" of the Special Provisions, **please attach additional sheets as needed**:

A. The names and dates of each publication in which a request for DBE participation for this project was placed by the bidder (please attach copies of advertisements or proofs of publication):

Publications	Dates of Advertisement

B. The names and dates of written notices sent to certified DBEs soliciting bids for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the DBEs were interested (please attach copies of solicitations, telephone records, fax confirmations, etc.):

Names of DBEs Solicited	Date of Initial Solicitation	Follow Up Methods and Dates

C. The items of work made available to DBE firms including those unbundled contract work items into economically feasible units to facilitate DBE participation. It is the bidder's responsibility to demonstrate that sufficient work to facilitate DBE participation in order to meet or exceed the DBE contract goal.

Items of Work	Proposer or Bidder Normally Performs Item (Y/N)	Breakdown of Items	Amount ($)	Percentage of Contract
				0.00%
				0.00%
				0.00%
				0.00%

D. The names, addresses and phone numbers of rejected DBE firms, the reasons for the bidder's rejection of the DBEs, the firms selected for that work (please attach copies of quotes from the firms involved), and the price difference for each DBE if the selected firm is not a DBE:

Names, addresses and phone numbers of rejected DBEs and the reasons for the bidder's rejection of the DBEs:

Names, addresses and phone numbers of firms selected for the work above:

E. Efforts (e.g. in advertisements and solicitations) made to assist interested DBEs in obtaining information related to the plans, specifications and requirements for the work which was provided to DBEs:

F. Efforts (e.g. in advertisements and solicitations) made to assist interested DBEs in obtaining bonding, lines of credit or insurance, necessary equipment, supplies, materials, or related assistance or services, excluding supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate:

G. The names of agencies, organizations or groups contacted to provide assistance in contacting, recruiting and using DBE firms (please attach copies of requests to agencies and any responses received, i.e., lists, Internet page download, etc.):

Name of Agency/Organization	Method/Date of Contact	Results

H. Any additional data to support a demonstration of good faith efforts:

Attachment E

Addendums No. 1 & 2 to RFP #10951

COUNTY OF MONTEREY

PUBLIC WORKS, FACILITIES AND PARKS

Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, California 93901-4527

(831) 755-4800
www.co.monterey.ca.us

April 7, 2025

ADDENDUM NO.1

PROFESSIONAL ENGINEERING SERVICES FOR
CHUALAR WASTEWATER CONSOLIDATION
PROJECT NO. C-06-8676-110
RFP#10951

The purpose of this Addendum is to provide revisions and clarifications to RFP#10951; and to provide answers to questions. This acknowledgement signature page of Addendum No. 1 must be submitted with your proposal.

If this acknowledgement signature page is not submitted with your proposal, your entire proposal is considered non-responsive.

RECEIPT IS HEREBY ACKNOWLEDGED OF ADDENDUM NO.1, RFP # 10951, CHUALAR WASTEWATER CONSOLIDATION, PROJECT No. C-06-8676-110.

_____ _____
Authorized Company Signature Printed Name

_____ _____
Company Name Date

Additions/Deletions/Revisions:

1. Revise Section 2 in the Proposal or Qualifications Package Layout table, under section 8.1 Content and Layout with:

Section 2	PROPOSED SCOPE OF WORK
	LICENSING AND WORK QUALIFICATIONS

2. Add the following to Section 2 Pre-Qualifications/Licensing Requirements, under section 8.1 Content and Layout:

   Proposed scope of work to include project understanding and approach, work plan, and schedule.

3. Add the following to section 5.0 Scope of Work, sub-section 7 Financial Assistance Applications, on page 9.

   7.3 The County is anticipating preparation and submittal of a CWSRF Financial Assistance Application for a second phase of the project – to cover costs associated with the final design and actual construction of the Selected option. The CONTRACTOR will be expected to assist with the work necessary to be completed in order to assemble and file that Application, to include all technical materials necessary to comply with the requirements for preparation and submittal. IF funds are successfully secured via that application or otherwise, the County, at its option, may elect to retain the same CONTRACTOR to provide final design, construction administration, and other support services necessary to construct the project; however, the costs associated with those second phase support services are not necessary to be delineated/included as part of this proposal.

4. Replace Attachment B – Pricing with the attached updated Attachment B

Response to Questions:

Question 1: Force main route- has any preliminary work been done to determine the best route? It looks like it could be either from the community towards Salinas Highway 101, or from the Plant, along River Road to Davis. ROW Acquisition would vary greatly.

Response 1: No, best route not yet determined, that is part of the scope for this project.

Question 2: LAFCO is working a new MSR for the CSA's – their 2006 study shows this CSA#75 working at 45 gpm, with a capacity of 60 gpm… (I might have the metric wrong, it could be MGPD- .45) Is that still the case?

Response 2: The existing WWTF is permitted for a maximum month average daily flow of 100,000 gallons per day (gpd). Averaged Flow Data from years 2005-2020 indicates an Annual Average Daily Flow (ADF) of 63,401 gpd. The Average Day Max Month Flow (MMF) during those years was 97,596 gpd with a Peak Day Flow (PDF) of 135,171 gpd.

Question 3: Section 6.0 Agreement Term: Does this agreement authorize the County to extend the scope of work to include the final design phase if County receives funding? Please confirm that the selected team is intended to provide full design support upon future scope and fee negotiation, with the caveat that the County has the right to terminate the contract and go out to RFP for future work.

Response 3: See number 3 under Additions/Deletions/Revisions section of this addendum.

Question 4: Also, is the consultant able to raise rates each year during the term of the contract without increasing the contract value if noted on our rate schedule without prior 90 day authorization?

Response 4: Yes, contractor will need to fill out the attached 10 H form (Attachment B).

Question 5: Section 11.3.1, Can you please confirm the cost proposal? It is noted to be a cost-plus fixed fee. Please confirm this is correct, or should it be a Time & Materials - Not to Exceed fee estimate?

Response 5: Correct, the cost proposal follows a Cost-Plus-Fixed-Fee structure.

Question 6: Is the Design consultant required to comply with any DBE requirements? If so, please provide more direction on these requirements.

Response 6: No DBE goal has been set for this project.

Question 7: Attachment D – This project is not a federal highway project and thus should not be required to comply with the 10-H process. Please confirm if this requirement can be removed from the RFP process.

Response 7: Contractor will need to use Attachment B.

Question 8: Can you please clarify if you would like to have the following sections included in the proposal:

1. *Understanding*
2. *Approach*
3. *Scope of Work*
4. *Schedule*

If so, please clarify which section of the proposal you would like them to be included. Thank you!

Response 8: See number 1 and 2 under Additions/Deletions/Revisions section of this addendum.

Question 9: when is this project expected to go to bid for contractors and what is the expected start date for construction?

Response 9: At this time, the construction start date is unknown. The County will advertise for construction bids once the design is complete.

COUNTY OF MONTEREY

PUBLIC WORKS, FACILITIES AND PARKS

Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, California 93901-4527

(831) 755-4800
www.co.monterey.ca.us

April 16, 2025

ADDENDUM NO.2

PROFESSIONAL ENGINEERING SERVICES FOR
CHUALAR WASTEWATER CONSOLIDATION
PROJECT NO. C-06-8676-110
RFP#10951

The purpose of this Addendum is to provide revisions and clarifications to RFP#10951; and to provide answers to questions. This acknowledgement signature page of Addendum No. 2 must be submitted with your proposal.

If this acknowledgement signature page is not submitted with your proposal, your entire proposal is considered non-responsive.

RECEIPT IS HEREBY ACKNOWLEDGED OF ADDENDUM NO.2, RFP # 10951, CHUALAR WASTEWATER CONSOLIDATION, PROJECT No. C-06-8676-110.

_____ _____
Authorized Company Signature Printed Name

_____ _____
Company Name Date

Additions/Deletions/Revisions:

Delete third sentence, "All prices and notations must be typed or written in BLUE ink.", of "Signed Signature Page and Signed Addenda" paragraph under Section 1, Requirements, of Section 8.0, Proposal/Qualifications Package Requirements, on Page 11 of the RFP.

Add the following to section 11.1:
Only specific cost proposal for task 1 Project Report and Preliminary Design is required at this time.

Response to Questions:

Question 1: It is anticipated that responses to these questions may significantly impact the scope of work. We request a 2-week extension to the proposal deadline to allow for development of a complete and comprehensive proposal, following posting of responses to written questions.

Response 1: Yes, the county will extend the proposal deadline to May 09, 2025, 3PM. Please note that there may be some flexibility in the project schedule (between anticipated Contract date of June 2025 and the draft Project Report date of 9/30/25). CONTRACTOR should address the timeframe needed to complete all work associated with Task 1 – Project Report and Preliminary Design.

Question 2: Please provide a map of additional parcels outside the existing Chualar wastewater collection system being considered for inclusion in the Project planning work. Is planning and design for collection system infrastructure needed to serve the additional parcels included in the project?

Response 2: (R1) Additional parcels not yet identified. (R2) This is to be determined based on the Selected Construction Project Alternative.

Question 3: Is planning and design for existing collection system infrastructure rehabilitation included in the project?

Response 3: Not in Chualar except for modification as may be necessary to accommodate the Selected Construction Project Alternative.

Question 4: Please provide copies of any prior available planning documents related to the Project. This includes prior condition assessments of the Chualar wastewater collection and treatment facility, and capacity assessments of the City of Salinas's wastewater collection system.

Response 4:
(re: Chualar): We have attached a <u>DRAFT</u> WASTEWATER PROJECT REPORT prepared in August of 2022 – which may have useful/relevant background information regarding the Chualar wastewater collection system and a wastewater treatment facility (WWTF). This information was subsequently utilized in the preparation of the County's Grant Application; however, please understand that although this was the basis for the initial Grant submittal, the County and State Water Resources Control Board staff worked together to adjust the scope and relevant documents. The final scope, budget and schedule from the executed agreement vary significantly from the initially submitted application and plan of study. The RFP

includes a copy of the final executed agreement for use/reference in assembling the Proposal and contains vital information about the Grant.

(re: Salinas): Detailed Condition assessments for the City of Salinas' wastewater collection system are not presently available – if/as needed or necessary, CONTRACTOR is to assemble those as part of task(s) documenting existing system.

Question 5: Please provide the grant application prepared for obtaining Project funding.

Response 5: We have attached: (1) The original 'General Application' dated April 4, 2022; (2) Revised Planning Grant Application dated May 4, 2023; and (3) Plan of Study dated May 3, 2023. Please understand that the County and State Water Resources Control Board staff worked together to adjust the scope and relevant documents prior to Grant Award and the final scope, budget and schedule from the executed agreement vary significantly from the initially submitted application form and the 'Updated' plan of study which is attached. The RFP includes a copy of the final executed agreement for use/reference in assembling the Proposal and contains vital information about the grant.

Question 6: Is a condition assessment and capacity assessment of the existing City of Salinas wastewater system anticipated to be required as part of the Project? If so, please provide atlas maps and/or record drawings of existing facilities to be analyzed.

Response 6: This is to be determined based on the Selected Construction Project Alternative.

Question 7: Should the Project Report address condition or capacity for Monterey One Water conveyance and treatment facilities. If so, please provide atlas maps and record drawings of existing facilities to be analyzed.

Response 7: This is to be determined based on the Selected Construction Project Alternative.

Question 8: Should improvements to other agencies' facilities be included in the 30% design scope and CEQA document? If so, what improvements should be included?

Response 8: Possibly. This is to be determined based on the Selected Construction Project Alternative.

Question 9: If a consolidation occurs, what is the anticipated fate of the existing WWTP site? Should a phase I environmental assessment of the existing site be included in the Project scope?

Response 9: No. If necessary, that will be part of a subsequent Project for final design.

Question 10: Paragraph A.5 of the funding agreement requests the use of Disadvantaged Business Enterprises (DBE) for procurement of services. Is there a DBE goal or target for the Consultant team?

Response 10: No.

Question 11: Is there an alternative which should be used as the basis for developing a proposed scope and fee for development of an environmental document (CEQA)? Alternatively, can development of scope and fee for environmental work be deferred until a preferred alternative project is selected?

Response 11: Refer to Section 5.0 Scope of Work, Task 3 – Environmental Documents on page 8 of the RFP.

Question 12: Is there an alternative which should be used as the basis for developing a proposed scope and fee for development of 30% design documents and permitting? Alternatively, can development of scope and fee for design and permitting work be delayed until a preferred alternative project is selected?

Response 12: please see response to Question 25.

Question 13: Should a geotechnical investigation be included in preparation of the 30% design package?

Response 13: If necessary to complete 30% plans and specifications (Refer to Section 5.0 Scope of Work, Task 2 – Plans and Specifications on page 8 of the RFP); however, no ground disturbing activities unless/until the Environmental review process is complete.

Question 14: Should scope for public outreach be included as part of the project?

Response 14: Public outreach is not required for Task 1 – Project Report and Preliminary Design, however, include public outreach in as part of the CEQA process.

Question 15: The allocated budget for Task 5 appears disproportionate to the scope of simply identifying required easements. In Task 5, should services be included to support easement acquisition, including boundary surveys, development of plat maps and legal descriptions, obtaining title reports, and/or easement negotiation and acquisition support services?

Response 15: No. If necessary, those services will be part of a subsequent Project for Final Design.

Question 16: The Cost Proposal in Attachment B includes alternative cost methodologies. What is the form of compensation to be used for this contract, Cost-Plus-Fixed Fee, Lump Sum, Firm Fixed Price, or Time and Materials to a not to exceed (preferred)?

Response 16: The fee structure is Cost-Plus-Fixed Fee. See Addendum No. 1.

Question 17: Can the County clarify if only the Signature page needs to be a wet/manual blue signature?

Response 17: The Signature Page and Addenda, if any, need to be signed in wet/manual blue ink. Please refer to the "Signed Signature Page and Signed Addenda" paragraph under Section 1, Requirements, of Section 8.0, Proposal/Qualifications Package Requirements, on Page 11 of the RFP.

Question 18: Can the County clarify if the Cover Letter requires a wet/manual blue signature?

Response 18: No, the Cover Letter does not require a wet/manual blue ink signature.

Question 19: Can the County clarify if the entire proposal and cost proposal needs to be in blue colored font?

Response 19: No, the entire proposal and cost proposal does not need to be in blue font.

Questions 20: Can the County clarify if only the cost proposal needs to be in blue colored font?

Response 20: No, the cost proposal does not need to be in blue font.

Question 21: "In Section 7 (Financing Assistance Applications), you only reference the CWSRF. Are you willing to consider a more comprehensive financing plan that looks into a range of financing options, contains a financing model, and includes the financing implementation assistance?"

Response 21: Yes, depending on the Cost Estimate for the Selected Construction Alternative.

Question 22: Has the County discussed the option of sending this wastewater through the City's collection system with the City of Salinas? Did they agree in concept?

Response 22: Yes, preliminarily at time the Grant Application was filed in 2022; however, will need coordination and written agreement if the Selected Construction Alternative involves connection to/through the City's system.

Question 23: Assuming that answer is yes, will the City of Salinas provide a copy of their collection system map and model for the designer's use?

Response 23: Yes, when work commences.

Question 24: If collection system upgrades are required in Salinas, will this grant cover them?

Response 24: Yes, this project would need to include outlining the necessary improvements. Design and Construction would be included in the subsequent Financial Assistance Application.

Question 25: The cost of the work will vary depending on the option selected under Task 1. Should the designer assume the largest possible project when preparing a scope and fee, or will the county contract for the alternatives analysis up front, and then contract for the remaining work once that scope is better defined? We are concerned that the Geo-Tech, Env., ROW work will be greatly inflated unless this can be considered in two distinct phases; agree to a single project, then estimate further costs needed to pull permits and build it.

Response 25: As suggested, we have decided to Modify the RFP to only require a specific cost proposal for Task 1 ('Project Report and Preliminary Design') at this time. After there is an agreed upon 'Selected Construction Alternative', County (at its option) may elect to retain the same CONTRACTOR and request a subsequent cost proposal for the balance of the work/tasks outlined under Section 5.0 - SCOPE OF WORK.

Attachment F

CWSRF Grant Agreement

Clean Water Planning Loan (Principal Forgiveness)

Agreement No. D2401012

Clean Water
State Revolving Fund

CLEAN WATER PLANNING LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY ("Recipient")

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board")

CALIFORNIA
Water Boards

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION ("Project")

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

Adobe Acrobat Sign Transaction Number: CBJCHBCAABAAD1aLX2UQpmzyboOFqjdbw5JKEQRFNCJ2

1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y. Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

Adobe Acrobat Sign Transaction Number: CBJCHBCAABAAD1aLX2UQpmzyboOFqjdbw5JKEQRFNCJ2

EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	 N/A	 August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	 N/A	 N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:
    a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
    b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
    c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
    d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
    e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.
- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

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

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- "Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.
- "Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- "Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.
- "Event of Default" means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- "Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-16776

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Pomphrey Consulting, LLC for trauma registrar staffing services at NMC for an amount not to exceed $250,000 with an agreement term retroactive to March 1, 2024 through February 28, 2025.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($25,000) of the original cost of the agreement per each amendment, for total contract liability of ($275,000).

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-107
Agenda Item No.: 21

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES (MORE THAN $200,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center ("COUNTY"), a general acute care teaching hospital wholly owned and operated by the County, and Pomphrey Consulting, LLC (hereinafter "CONTRACTOR", collectively COUNTY and CONTRACTOR are referred to as the "Parties").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED.** COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows:
   Trauma Registrar Staffing Services.

2. **PAYMENTS BY COUNTY.** COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of **$** 250,000.

3. **TERM OF AGREEMENT.**

   3.1. The term of this Agreement is from retroactive to March 1, 2024 through February 28, 2025 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

   3.2. COUNTY reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Scope of Services

   Exhibit B: COUNTY Duties and Responsibilities

   Exhibit C: Compensation

   Exhibit D: Monterey County Travel and Business Expense Reimbursement Policy

   Exhibit E: Business Associate Agreement

   Exhibit F: Business Automobile Liability Insurance Justification

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5. PERFORMANCE STANDARDS.

5.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.

6.4. Invoice amounts shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. COUNTY shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

7.1. During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In

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the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 COUNTY's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for COUNTY's purchase of the indicated quantity of services, then COUNTY may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents and employees from any and all claims, liability and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.2 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII,

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according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

9.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence. Justification attached as "Exhibit F"

☒ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, ***If required*** for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

9.4 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of CONTRACTOR's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance.** The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

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10.2 COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

10.3 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 Access to and Audit of Records. COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 Royalties and Inventions. COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent

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employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Pomphrey Consulting LLC Attn: Michelle Pomphrey Address: 2683 Spring Hill Rd City, State, Zip: Staunton. VA 24401 FAX: 540-448-2770 Email: michelle.pomphrey@pomphreyconsulting.com

15. MISCELLANEOUS PROVISIONS.

15.1 Conflict of Interest: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.2 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the CONTRACTOR.

15.3 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4 Contractor: The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

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15.5 Disputes: CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.6 Assignment and Subcontracting: CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement

15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of COUNTY and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.

15.13 Construction of Agreement: COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 Integration: This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

15.16 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris
4E1F837D2045481...
Charles R. Harris, CEO Natividad

Date: 4/9/2024 | 9:29 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
C0ECE1B09F444A9...
Monterey County Deputy County Counsel

Date: 2/27/2024 | 8:37 AM PST

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Jennifer Forsyth
4E7E6578754545E...
Monterey County Deputy Auditor/Controller

Date: 2/27/2024 | 9:29 AM PST

CONTRACTOR

Pomphrey Consulting, LLC
Contrctor's Business Name*** (see instructions)

By: DocuSigned by: Michelle Pomphrey
Signature of Chair, President, or Vice-President

Michelle Pomphrey, CEO
Name and Title

Date: 2/26/2024 | 5:07 PM PST

By: DocuSigned by: John G Buck
5F542A85E4954E7...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

John G Buck, Vice President of Operations
Name and Title

Date: 2/26/2024 | 4:31 PM PST

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A:

Scope of Services

I. Description of All Services to be Rendered by CONTRACTOR:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center (NMC) computer system(s) required for complete data acquisition. This would include NMC'S Meditech Electronic Medical Record (EMR).

II. CONTRACTOR Obligations:

a) CONTRACTOR shall abstract and enter the data information into the ESO TraumaOne (TRAUMA REGISTRY SOFTWARE) which is currently installed at NMC. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Definitions for the current admission year. The NTDB data dictionary can be found at https://www.facs.org/quality- programs/trauma/tqp/center-programs/ntdb/ntds/data-dictionary. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP). It is our understanding that NMC is a TQIP participating facility.

b) All data elements above and beyond the NTDB and TQIP fields will be abstracted in accordance with NMC's internal data dictionary or State/Corporate Data Dictionary. These documents should contain the data element's names, definitions, patient population to be completed on, as well as the primary and secondary EMR data source. This ensures CONTRACTOR abstracts all remaining data elements in the exact format as NMC staff for consistency of reports. If no such NMC document exists, CONTRACTOR will abstract non-NTDB/TQIP fields in accordance to NMC orientation recording. CONTRACTOR will identify appropriate data locations if no specific instructions are provided.

c) The scope of services CONTRACTOR will provide shall comply with all the above reference data elements and national definitions. All charts require hand coding/assignment of all injury codes using the Abbreviated Injury Scale (AIS 05) for Injury Severity Score (ISS) calculations by the CONTRACTOR. Accurate AIS codes ensure accurate ISS reflections, and thus accurate M, Z, & W statistics for NMC. These injury codes will be entered in the REGISTRY and will map to a corresponding ICD-10-CM injury code. The ICD-10-CM injury codes will be validated using medical record codes, as well as CONTRACTOR coding/validation. ICD-10-CM External Cause codes and ICD-10-PCS procedure codes will be assigned by medical records coding and validated by CONTRACTOR for completeness and accuracy.

d) PROCESS:

1. Establish remote access: **See "Exhibit B: COUNTY Duties and Responsibilities"** for full details.
2. Orientation Recording:
   A. REGISTRY:
      1. CONTRACTOR shall record these sessions in our Adobe Connect platform. This is a username and password protected secure system.
      2. NMC will start a "New Patient" in REGISTRY so that no individual patient data will be seen or recorded. CONTRACTOR will do short recordings for each individual data screen in NMC REGISTRY. In each recording, NMC will verbally explain all Non - NTDB/TQIP fields. This will include special instructions related

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to specific patient populations, where to find the information in EMR including primary and secondary sources.

3. All recordings will be available for the NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

B. EMR-NMC will do a short recording with CONTRACTOR to identify the following:

1. How to recall a patient and ensure correct episode of care.

2. Main Sections of EMR

   a. ED documents
   b. OR
   c. Consults
   d. Progress Notes
   e. Outside Hospital Documents
   f. Pre-hospital Documents
   g. Radiology
   h. Labs
   i. Medications – for TQIP DVT Prophylaxis
   j. Orders – Admit/DC.
   k. Other specific places to identify ICU Days, Vent Days, and other NMC specific data elements.

3. All recordings will be available for NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

C. PATIENT LIST- See "**Exhibit B: NMC DUTIES AND RESPONSIBILITIES**" for full details.

3. CONTRACTOR shall identify a Project Lead or Team Lead. This individual will be the main contact for NMC.
   i. NMC will assign CONTRACTOR Lead two (2) complex charts. CONTRACTOR Lead will complete, and NMC will validate.
   ii. NMC will provide CONTRACTOR Lead feedback on any issues identified, related to data definitions, EMR data locations or chart completeness, or closure. NMC and CONTRACTOR Lead will repeat this process until NMC is confident and Inter-Rater Reliability (IRR) score for CONTRACTOR Lead is above 95%.
4. CONTRACTOR Lead will then begin assigning charts to CONTRACTOR team and repeating the same process as outlined in #3 above for each CONTRACTOR team member. Project Lead will complete validation on CONTRACTOR team.
5. Once CONTRACTOR team is working independently, a standard 5% of their charts will be used for on- going data validation.

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6. All data validation will be entered into the Buck Data Validation System (BDVS) which will be provided to NMC at no charge. IRR scores per CONTRACTOR team member will be available to NMC as well as productivity measures for project monitoring. The standard data elements validated for each CONTRACTOR team member are:
    i. Trauma Registry Number
    ii. Date of Birth/Age
    iii. Mechanism of Injury (ICD-10-CM external cause code OR Blunt vs. Penetrating if not mapped)
    iv. All NMC initial Emergency Department/NMC vital signs needed to calculate the Revised Trauma Score (RTS)
    v. All injuries thus ensuring a valid ISS
    vi. ICU Length of Stay
    vii. Hospital Length of Stay
    viii. Comorbid Conditions as defined by NTDB/TQIP
    ix. Complications as defined by NTDB/TQIP

These elements are chosen as they have a direct impact on national benchmarking reports. The BDVS system will also be available for NMC staff to monitor their productivity and data validation. These results will be integrated into the NMC data validation reports.

7. CONTRACTOR Lead will provide weekly update reports as to the status of the project which will act as the main communication between NMC and CONTRACTOR.

8. CONTRACTOR staff will observe the following holidays:
    A. New Year's Day
    B. Memorial Day
    C. July 4th
    D. Labor Day
    E. Thanksgiving Day
    F. Christmas Day

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Exhibit B:
COUNTY DUTIES AND RESPONSIBILITIES

I. COUNTY Obligations:

The scope of work for COUNTY is based on a remote access structure. As such, the COUNTY does not have to provide the following:

- Office space or furniture
- Computers or printers
- Office supplies (paper, pens, etc.)
- Insurance
- Benefits

The COUNTY/NMC will be responsible for the following:

1) Compensation as described in the agreement and set forth in **Exhibit C "COMPENSATION".**

2) Providing CONTRACTOR with a Business Associates Agreement (BAA) attached hereto as **"Exhibit E: Business Associate Agreement".**

3) Information Technology (IT) support for remote access, logins, password changes, and resolution of all technical issues that prevent CONTRACTOR from performing the services outlined in this agreement. NMC shall provide one high level IT manager/supervisor who is assigned to CONTRACTOR. The name and contact information are to be provided by NMC at the signing of contract. NMC IT manager will work directly with CONTRACTOR. IT manager will establish all CONTRACTOR remote staff access. NMC IT manager/supervisor is responsible for communicating to CONTRACTOR all steps/processes in detail to establish remote access.

4) Start date of Agreement will be effective per **section 3.1 "TERM OF AGREEMENT"**. NMC IT manager/supervisor will then provide CONTRACTOR staff with login ID and successful computer access as defined in "**Exhibit A: Scope of Services**". Successful access is defined as the ability to remotely access all computer systems identified, including the same pathways within them as identified in NMC orientation for CONTRACTOR. If successful access isn't established within 14 business days of CONTRACTORS completion of NMC required IT forms, CONTRACTOR will notify NMC contact in writing of such delays and shall allow NMC to rectify issue within 30 days of written notification. The official start date for CONTRACTOR deliverables is date of successful access to all computer systems for all CONTRACTOR staff. This date will be noted by NMC and CONTRACTOR in writing.

5) Site Visit (if necessary): CONTRACTOR shall send Remote Staff to NMC for the ACS Consultative visit and/or ACS Verification Review upon NMC Advanced Notice Request. All travel, lodging, and worked hours cost will be incurred by NMC and shall adhere to the County of Monterey's Travel and Reimbursement Policy as defined in "**Exhibit D- Monterey County Travel and Business Expense Reimbursement Policy**".

6) Trauma Verification Consulting Services (if applicable): If NMC does not have a successful site survey and fail the verification, and decides not to become a trauma center, NMC shall provide notice of termination pursuant to **section 7.1 "TERMINATION"** of the Agreement.

7) Provide CONTRACTOR with hospital/state inclusion criteria document and hospital/state/corporate data dictionary.

8) NMC will grant CONTRACTOR project manager/team lead, report writer privileges in the REGISTRY. CONTRACTOR project manager/team lead will close each back-log month or abstraction time period assigned to CONTRACTOR. This includes a complete validation report, correction of all Level 1 and 2 errors, and review of all Level 3 and 4 warning errors with corrections if necessary.

9) NMC will identify one administrative level point of contact who will assist CONTRACTOR if issues arise such as, but not limited to, computer access or contractual addendums, etc.

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10) NMC will provide CONTRACTOR with a patient list of outstanding/concurrent patients needing data abstraction/entry. This list will be in Microsoft Excel format and located on NMC shared server. CONTRACTOR remote staff will access NMC system and sign out charts. Once patients are complete, the charts will be marked as complete and additional charts/patients will be signed out by CONTRACTOR staff. This process reduces the chance of duplication of work and allows NMC transparency in work progression. The fields for the Excel file will include: Trauma Registry Number, Account Number, Medical Record Number, Patient Last Name, Admission Date, and Hospital LOS. The patient list always remains on NMC server, ensuring all personal health information (PHI) is protected by NMC firewalls.

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Exhibit C:
COMPENSATION

I. Pricing/ Fees:

Cost Calculations:
DATA ABSTRACTION COST: Based on backlog survey and number of charts in backlog. Additional DATA VALIDATION = 5% of Backlogged Chart Assignment multiplied by Data Validation Hourly Rate (abstraction rate per hour)

COST BREAKDOWN ESTIMATES (Data Abstraction):

	Rate	Weekly Hours	# of weeks	Monthly Fee	Total
1st Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
2nd Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
Professional Set Up Fee (ONE TIME FEE)	N/A	N/A	N/A		$ 2,000
Estimated Administrative Fee:	2.5% per monthly billing cycle of actual hours worked	80 hrs. per week	N/A	$472.00	$5,664.00
				TOTAL:	**$253,104**

- Post Backlog data abstraction terms, additional PRN term staffing is agreed @ $59.00 per hour for the required work hours.
- Additional PRN staffing length of terms will not exceed 1 year and will require an instrument in writing signed by COUNTY and CONTRACTOR as stated in section 15.2 "Amendment" of the Agreement.

II. NMC shall receive the following services from CONTRACTOR at no additional cost:

1. One (1) seat in our monthly educational webinar series for trauma registrars for 1 month. (Valued at $50.)
2. One (1) seat in our monthly educational webinar series for trauma program managers for 1 months. (Valued at $50.)
3. One (1) seat in our Trauma Program Managers Mentorship Program, Trauma Registrar Mentorship, Trauma Advanced Registry Prep (TARP) or Trauma Data Analytics @ 50% off. (This is a $250.00 - $750.00 value.)

III. Additional Compensation Information:

A. IT fee

Successful IT set-up for all of CONTRACTOR remote staff as defined in "**Exhibit B: COUNTY Duties and Responsibilities**" will be billed at a rate of the agreed abstraction rate per hour.

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B. Data Abstraction/Data Entry/Data Validation Services

Data validation is a Type II criterion deficiency (CD15-10) per the ACS Resources for Optimal Care of the Injured Patient 2014 manual. ACS recommends a 5-10 % data validation platform. CONTRACTOR will perform data validation at a rate of 5% per abstractor. Data validation results and summary reports will be provided to NMC thru the BDVS system. Data Validation is a subspecialty that reviews and reports Inter-Rater Reliability (IRR) of CONTRACTOR staff. Hours during this period are billed at abstraction rate per hour. CONTRACTOR can perform data validation for NMC staff if requested at abstraction rate per hour.

C. NMC Down Time

Downtime is defined as any time in which CONTRACTOR cannot perform their duties as a direct result of: REGISTRY updates (schedule or non-schedule), or NMC computer system issues (such as server, password resets, other outages, etc.) which occur during normal business working hours may be billed at $30/person per hour. These are issues that arise solely due to NMC events. Team lead will document this and notify the Trauma Program Manager via email. (Normal business working hours are defined as Monday – Friday 8:00 am – 5:00 pm EST.)

D. Project Team Meetings

Project Team Meetings are scheduled weekly by CONTRACTOR to communicate with CONTRACTOR team, feedback from NMC, Inter-Rater Reliability (IRR), answer questions, and clarify processes. NMC is invited to participate in these meetings. Week three (3) of the project Team Meetings are moved to every 2 weeks. Project Team Meeting hours are billed at abstraction rate per hour per CONTRACTOR team member.

E. Miscellaneous Fees

Should NMC require as a condition of this Agreement that CONTRACTOR, its employees or agents be vaccinated, drug screened, background checked, have a national clinical account, vendor credentialing fees, or any other similar obligations; COUNTY shall compensate CONTRACTOR for CONTRACTOR'S actual costs incurred in complying with the NMC's requirements. This will be a separate line item on NMC invoice.

F. Administrative Fees

Monthly billing will include a 2.5% Administrative Fee of actual hours worked. Administrative Fee covers opening and maintaining Accounting & Information Technology Support.

G. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the ***Monterey County Travel and Business Expense Reimbursement Policy***. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/policies-and-procedures To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

H. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

I. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

J. COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

K. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

To ensure no break in coverage for vacation, injury, illness, etc. CONTRACTOR may assign multiple team members to this project. Federal Holidays and Vacation time can affect weekly hours provided. Notification will be provided to NMC by CONTRACTOR once Vacation Requests have been received. Coverage may be utilized to ensure full contracted hours if requested by NMC. All Vacation and Holiday hours will NOT be incurred by NMC, CONTRACTOR is obligated for these hours.

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Exhibit D:
Monterey County Travel and Business Expense Reimbursement Policy

TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

Revised December 11, 2012

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I. PURPOSE

The purpose of this policy is to establish uniform travel and business expense reimbursement policies, rules and claim procedures for persons authorized to conduct County business.

II. SCOPE

The County travel and business expense reimbursement policy applies to all County employees, members of legislative bodies established by the Board (salaried or not), non-County employees (such as contractors who receive travel and/or business expense reimbursements) and volunteers traveling on County business.

III. DEFINITIONS

Unless the context otherwise requires, the definitions contained in this part govern the construction of this policy. They do not necessarily apply in other County contexts.

A. Accountable Expense Reimbursement Plan

Reimbursements of travel and other business expenses to a County employee, contractor or volunteer will be considered to be made under an "Accountable Expense Reimbursement Plan" if the following three requirements are met:

- The person substantiates his or her expenses by submitting an expense report with
  1) the amount of the expenditure,
  2) the time and place of the travel or business entertainment,
  3) the business purpose of the expenditure, and
  4) the names and business relationship of any persons entertained.
- The person documents the expenses with supporting receipts, paid bills, etc. within 60 days after the expense is paid or incurred, and
- Excess advances, if any, are repaid to the County within 120 days after the expense is paid or incurred.

"County" means the County of Monterey.

B. County Business

"County business" means the activity directly related to the ordinary, necessary and/or required business functions of the County of Monterey ("County"). It does not include travel or expenses related to an employee's participation in the County's Educational Assistance Program or commuting expenses (a non-reimbursable expense).

C. County Employee

"County employee" means any County officer or employee, whether elected or appointed, filling a budgeted position approved by the Board of Supervisors.

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Independent contractors and their employees are not County employees.

D. County Traveler

"County traveler" means any County employee, authorized non-County employee (such as a contractor) or volunteer traveling on County business. Agency temporary employees are not covered by this policy and are not reimbursable for travel.

E. County Volunteer

"County volunteer" means a person, other than a County employee, who performs volunteer work authorized by a department or the Board of Supervisors for the County, such as a department volunteer, a commissioner or a member of an interview panel. It does not include agency temps, inmates, wards or probationers working for the County.

F. Home

"Home" means the actual dwelling place of the County traveler without regard to any other legal or mailing address.

G. Main or Regular Place of Work

"Main or regular place of work" means the principal place of business for the County employee or the principal location to which the County volunteer/contractor is assigned to work for the County. This may be the place at which s/he spends the largest portion of his/her regular County workday or working time or, in the case of field workers, the assigned location/headquarters to which s/he returns upon completion of regular or special assignments.

H. Meals

Meals that are 1) directly related or associated with bona fide County business matters and 2) approved for reimbursement by a member of the Board of Supervisors or a department head (or his or her designee) will be considered a reimbursable County business expense, if incurred in connection with out-of-County business travel or while conducting in-County business. Also, reimbursement for the provision of in-kind meals to employees on the business premises of the County will only be allowed if there is a substantial non-compensatory business reason for providing such meals to employees.

I. Temporary Work Location

"Temporary work location" means the place where the County employee, volunteer or contractor is assigned on an irregular or short-term basis. If an employee is assigned to a work location for no more than 35 work days during a calendar year, then the location is considered temporary. Attending conferences, meeting or training sessions away from the main or regular place of work by County employees or volunteers, or field

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workers conducting fieldwork at off-site locations, does not normally constitute assignment to another site. If the employee is assigned for more than 35 work days during the calendar year, the new location has become the main or regular place of work.

J. Vehicle

"Vehicle" means a motor vehicle, which can be legally operated on public highways.

IV. AUTHORIZATION TO TRAVEL

A. General Conditions

1. Travel will be authorized only when the travel is necessary and in the best interest of the County.

2. Advance authorization is required for all County travel, as specified in B & C.

3. Advance written authorization from the County Administrative Officer is required for all County travel by County volunteers, except as follows:

   a) Travel by appointed members of County boards, commissions, or advisory committees to and from the official meetings of their respective boards.

   b) Travel to and from the County for members of personnel interview panels, subject to authorization by the Human Resources Department.

   c) Travel to and from meetings, conferences and training covered by the County MHSA plan, subject to authorization by the Behavioral Health Program Manager or designee.

B. In-County Travel

County employees are authorized to travel within the County when said travel is required by the department and is considered a part of the routine, day-to-day official duties of the employee as defined and authorized by the department head or his/her designee. All other in-County travel requires advance authorization by the department head or his/her designee.

C. Out-of-County Travel

1. All travel outside of the County, but within the State of California, requires advance authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

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2. All travel outside of the State of California requires advance written authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

3. Authorization for out-of-state travel by current members of the Board of Supervisors is subject to the guidelines established by the Board.

D. Travel Requests

Travel requests that require department head authorization shall be submitted to the department head pursuant to department policy. If the traveler is requesting a travel advance, an approved "County of Monterey Travel Request" form (usually in the form of a "white claim" or "GAX"), accompanied by all documentation relative to the request, shall be forwarded to the Auditor-Controller.

V. TRAVEL EXPENSES

A. General Conditions

1. County travelers are entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals for authorized travel, subject to the conditions set forth in this Travel and Business Expense Reimbursement Policy ("Policy"), whenever the expenses are incurred as part of his/her official duties and authorized because the County traveler is required to work, attend a school, training, meeting or convention overnight at a location sufficiently distant from main or regular place of work to qualify under this policy for meal per diem and overnight lodging.

2. Notwithstanding Section 1 above, claims shall be paid subject to the rules set forth in this Policy and statutory law. Eligibility to submit a claim does not automatically entitle the claimant to reimbursement for any and all expenses.

3. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the County Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources to travel. Said travelers shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the conditions set forth in this travel policy.

4. Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the department. If cancellation/change occurs due to direction by the County traveler's department head, or his/her designee, or the County Administrative Officer, the County department will cover the penalty cost. If the cancellation/change occurs due to a traveler's personal request or obligations, the traveler will be required to pay the

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penalty. Exceptions shall be made when a traveler is unable to travel because of hospitalization, serious sickness or death of self or an immediate family member or when the department head certifies that the reason for the employee's absence was legitimate and authorized.

B. Transportation Expenses

1. General Conditions

a) Transportation expenses are the direct costs related to movement of the County traveler from authorized point of departure to destination of travel and back to the authorized point of return.

b) All transportation expenses incurred shall be based upon the most efficient, direct, and economical mode of transportation required by the occasion.

c) Whenever a time frame is established as criteria for eligibility for claiming, such as the requirements set forth for meals in Section V, subsection C. 1. d., estimated travel time shall be based upon legal vehicle speed limits, volume of traffic, and weather conditions in effect at the time of travel.

2. Vehicle Transportation

Vehicle use (both County-owned and private) by authorized County travelers during the conduct of official County business is subject to the County Vehicle Use Policy.

a) Private Vehicle

(1) Travel by private vehicle will be reimbursed at the IRS rate for business use of a personal vehicle in effect in the County at the time of travel.

(2) Authorized County travelers who travel in a vehicle other than their own may not claim mileage for business use of a private vehicle but may claim reimbursement of actual fuel expenses necessary for the trip and expended by the traveler. Receipts are required and should be claimed by the employee actually paying the expense.

(3) Authorized County travelers may not claim mileage for business use of a private vehicle in the following instances:

(a) when the County traveler is riding with someone who will be claiming reimbursement for the vehicle's use from the County or another source;

(b) when the County traveler is traveling in a County or other government

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agency vehicle;

(c) when the County traveler is traveling in a rented vehicle (paid by County);

(d) when the County traveler has been assigned a County Vehicle for home retention, is receiving an allowance or lump sum for mileage, unless specifically provided for in the terms of their agreement or contract with the County or by Board resolution.

(4) County employee mileage to the regular or main place of work from home, and back, is considered commuting and may not be claimed.

(5) County employee mileage to the temporary work location from home, and back, is considered commuting and may not be claimed except in the following cases:

(a) if the County employee is required to report to the regular or main place of work before reporting to the temporary work location, s/he is eligible for mileage from the regular or main place of work to the temporary work location;

(b) if the County employee is required to report to the regular or main place of work after working at the temporary work location and before going home, s/he is eligible for mileage from the temporary work location to the regular or main place of work.

(6) Mileage in conjunction with authorized County travel to and from a school, training, convention or meeting shall be based on the distance to the destination from the traveler's home or the regular or main place of work, whichever is less, except in the following cases:

(a) if the traveler is required to report to his/her work location before leaving, s/he is eligible for mileage to the school, training, convention/meeting from the work location.

(b) if the traveler is required to report to his/her work location before returning home, s/he is eligible for mileage based on the distance from the school, training, convention/meeting to the work location.

(7) Appointed volunteer members of County boards, commissions, or advisory committees may claim mileage to the official meetings of their respective boards from home, and back.

(8) Members of personnel interview panels may claim mileage to the panel location from their regular or main place of work, and back.

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(9) When two or more County travelers from the same department are traveling to the same site by vehicle, they should use only as many vehicles as are required to accommodate the number of travelers and business needs of the County. If a County traveler chooses to use a separate private vehicle because of personal preferences or obligations, h/she shall not be eligible for mileage or fuel reimbursement for the travel unless the department head determines that reimbursement is appropriate and justified.

(10) If a County traveler chooses to use a private vehicle instead of an alternative mode of transportation chosen by the department head because of personal preferences or obligations, his/her mileage reimbursement shall not exceed the cost of using the alternative mode of transportation unless the department head determines that the additional reimbursement is appropriate and justified.

b) County Vehicle Transportation

(1) County travelers using a County vehicle for traveling shall not be eligible for reimbursement for mileage.

(2) County travelers required to fuel a County vehicle at their own expense should claim the actual fuel costs expended by them. Receipts must accompany the claim. Vehicle license number and the odometer reading should be written on the receipts.

(3) If the County vehicle experiences mechanical failure, the County traveler shall follow the rules set forth in the "Mechanical Failure" section of the "Vehicle Operator's Handbook" located in the glove compartment of each County vehicle.

c) Rental Vehicle Transportation

(1) Vehicles may be rented for transportation at the destination point when the County traveler travels to the destination via commercial common carrier and the cost of the rental will be less than the charge for shuttle or taxi service to and from the carrier termination point to the function or hotel accommodations.

(2) Vehicles may be rented for transportation to the destination point when the cost of the rental will be less than other reasonable and available modes of transportation.

(3) If more than one County traveler from the same department is traveling to the same function, only one rental vehicle may be claimed and then only if

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it is available for use by all of the County travelers.

(4) The County traveler shall choose the least expensive size and mileage limits appropriate to the use required. Rental expenses for luxury cars, motorcycles and recreational vehicles may not be claimed.

(5) Rental cars shall be refueled prior to return to the rental agency to reduce cost to the County. Rental cars should be returned to the renting location and on time to avoid additional charges.

(6) When traveling domestically the County traveler shall waive additional vehicle insurance (except for additional driver and coverage for drivers under 25 years of age), provided that the employee has his/her own vehicle insurance coverage. When traveling internationally additional insurance should be accepted if the traveler lacks other similar coverage.

(7) An original car rental receipt showing the number of days and type of vehicle rented is required for vehicle rental claims. A copy of the receipt or a credit card receipt alone is insufficient.

d) Commercial Carrier Transportation

(1) County travelers shall seek and attempt to use the lowest rates available for the type of commercial carrier service being utilized. Whenever possible, travelers should take advantage of flight arrangements that minimize County cost (for example, purchasing a round trip ticket may be less expensive than two one-way tickets). Reservations should be made as far in advance as possible to take advantage of available discounts and special offers. Travel agents that have added ticket handling charges should be avoided.

(2) Claims for travel via commercial carrier shall be limited to the cost of travel at economy rates for the same day and time of travel or actual cost, whichever is less. County travelers may upgrade tickets, provided that the traveler and not the County pay for the difference in cost for such upgrade. The County will not reimburse any type of travel insurance unless the Department Head requests the traveler to purchase cancellation coverage. Reasonable baggage charges, if imposed by the airline, on the first checked bag are reimbursable.

(3) Claims for commercial carrier tickets shall be substantiated by an original ticket document (such as an e-ticket or passenger receipt ticket copy) showing the price, date, date/time of travel and class of travel. A copy of the credit card receipt or statement from a travel agency alone is insufficient.

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(4) County business traveler may retain frequent flyer/hotel rewards and similar program benefits. However, participation in these programs must not influence flight/hotel/etc. selection, which would result in incremental cost to the County beyond the lowest available airfare/hotel cost unless the difference is paid by the traveler. Free tickets or cash allowances for volunteering to be denied timely boarding may be retained by the traveler but no additional cost to the County or interruption of County work is allowed and any additional time required to complete the trip is to be personal time.

(5) Should a Saturday night stay reduce the cost to the County of a ticket more than the total of any additional hotel/meal/parking cost, the costs to do so are reimbursable to the traveler but should be well-documented with a clear savings to the County.

e) Private Aircraft Transportation

(1) Traveling by private aircraft which is flown by a County employee may be authorized if it will be the most efficient means of travel and the flight is incidental to the purpose of the County travel. Said use shall require the advance written approval of the County Administrative Officer. If approved, the following must be provided to the Auditor-Controller's Office in advance of the travel:

(a) a copy of the pilot's Federal Aviation Administration (FAA) pilot's certificate and instrument rating for the category and class of aircraft to be flown and the type of flying to be performed;

(b) a copy of the pilot's current medical certificate;

(c) a copy of the FAA Pilot Proficiency Award Program certificate issued to the pilot within the twelve months prior to the flight;

(d) a copy of the pilot's flight log showing a minimum of 250 hours of flight time within the twelve months prior to the flight;

(e) a certificate of public liability and property damage insurance of not less than $1,000,000 naming the County as an additional insured.

(2) Traveling by private aircraft, which is flown by a non-County employee, except for flights conducted by members of the Sheriff's Air Squadron in the performance of their official duties, is normally prohibited.

(3) County travelers who operate a private aircraft in connection with approved County travel may be reimbursed the actual cost paid by the

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traveler for fuel used by the aircraft on the trip or the County's mileage rate for each air mile at the travelers option.

f) Other Transportation Expenses

(1) The following necessary transportation expenses may be claimed at actual cost (receipt required) when directly related to transporting the County traveler to and from the business destination point:

(a) taxi, shuttle, or public transit fares;

(b) parking fees (airport long-term parking is required for travel exceeding 24 hours);

(c) bridge, road or ferry tolls;

(d) other actual transportation expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

(2) The following transportation expenses may not be claimed:

(a) traffic and parking violations;

(b) emergency repairs or non-emergency repairs on non-County vehicles;

(c) personal travel while at an out-of-County location;

(d) other actual transportation expenses determined to be unreasonable or unnecessary by the department head or the Auditor-Controller.

C. Meal Expenses

1. Eligibility for Meals

a) County employees, contractors and volunteers may be reimbursed for in-County meal costs that are 1) ordinary (not extravagant) and necessary, 2) directly related or associated with bona fide County business matters and 3) approved by a member of the Board of Supervisors or a department head (or his or her designee). County business discussions associated with a meal must be conducted in a "clear business setting".

b) County travelers involved with in-County travel that does not require an overnight stay away from their home are not eligible to claim for meals taken outside the County, unless the requirements of paragraph a) above are met, or unless provided for in a Board of Supervisor-approved written County policy.

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c) County travelers on out-of-County business travel that requires an overnight stay away from their home are eligible to claim for meals taken out-of-County.

d) County travelers are eligible to claim the meal reimbursements noted below for travel requiring overnight lodging if the total travel time (work time, plus the lunch period plus round-trip travel time) is estimated to equal or exceed 12 hours.

(1) Breakfast may be claimed if the County traveler must reasonably be away from home because of County business travel at or before 7:00 a.m.

(2) Lunch may be claimed if the County traveler must reasonably be away from home because of County business travel at or before Noon.

(3) Dinner may be claimed if the County traveler must reasonably be away from home because of County business travel at 7:00 p.m. or after.

e) Snacks are a personal expense, not reimbursable.

f) Claims for meals purchased by a County employee or volunteer on behalf of federal, state or local public officials or employees is prohibited, including any other Monterey County employees, unless provided for under other Board of Supervisor approved written County policies.

g) County travelers are not eligible to claim meals or other expenses for those persons who are not otherwise eligible to file a claim themselves for County reimbursement.

h) County travelers are not eligible to keep or claim per diem allowances for anyone other than themselves.

2. Meal Claims

a) The County maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the GSA. Said maximums include taxes and gratuities.

b) Meal expense amounts shall be calculated by the Auditor-Controller for first and last partial days of travel based on the maximum federal per diem meal rate for the appropriate meal(s).

c) Claims for out-of-County meals taken in conjunction with travel that includes an overnight stay away from the traveler's home shall be reimbursed in the form of a "per diem allowance", which means the traveler is eligible to be reimbursed at the maximum rate allowed and receipts are not required (except for Board of

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Supervisor Members). Partial days shall be reimbursed at the appropriate meal rate.

d) Allowable meal costs may only exceed the prescribed per diem rates if the meal is being served at a conference or workshop and the costs of the speaker, conference, and/or registration are included in the price. The agenda/brochure or other documentation describing the event and the price must accompany the claim to the Auditor-Controller's Office.

e) A County traveler may not claim a per diem allowance or reimbursement for any meal which is provided, or otherwise available, to the County traveler with the lodging or function, whether or not there is an actual charge for the meal. For example, if lunch is provided at the function or breakfast is included in the cost of lodging, the traveler may not claim a per diem allowance or request reimbursement for eating elsewhere. For purposes of this section, continental breakfast and meals provided during airline or other commercial carrier travel do not constitute provided meals and do not need to be deducted from the per diem allowance. A County traveler may not claim a per diem allowance for a meal that was paid for by someone else.

f) If a breakfast is included in the cost of lodging, the traveler may not claim for a breakfast meal; however, s/he may apply the next day's breakfast allowance amount towards the maximum lodging amount. For example, if the maximum lodging amount is $79.00 and the breakfast allowance is $8.00, the employee may claim up to a maximum of $87.00 for lodging which includes a continental breakfast. (For purposes of this section, continental breakfast does not constitute a provided breakfast meal.)

g) Claiming for alcoholic beverage expenses are prohibited in all cases.

h) As required by California Government Code 53232.2 Board of Supervisors members must provide receipts for all meals and will be reimbursed at the lower of the appropriate per diem amount or the actual expense.

D. Lodging Expenses

1. Eligibility for Lodging

a) County travelers are not eligible to claim for lodging for in-County functions.

b) For out-of-County business that is conducted on one business day, if the County traveler's actual time for the day is estimated to equal or exceed 12 hours (including work time, the lunch period and round-trip travel time), then the County traveler will have the option of securing one night's lodging at either the

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front-end or back-end of the trip. Illustration: A member of the County Board of Supervisors who resides in Monterey County is required to attend a one-day business meeting in Sacramento. The Board member estimates that his total time for the day without obtaining lodging would be 14 hours (8 hours of meetings, 1 hour for lunch and 5 hours for round-trip travel). The Board member will have the option of securing one night's lodging in Sacramento, either the night before the meeting, or after conclusion of the meeting.

c) For out-of-County business that requires multiple business days, if County travelers are eligible to claim lodging for the first and last evenings of an out-of-County trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

d) County travelers are not eligible to claim reimbursement of lodging costs when staying overnight as a guest of friends or relatives.

2. Lodging Claims

a) Lodging expenses shall be claimed at either the actual cost of the lodging (limited to the single occupancy rate for a single room) or the County's maximum lodging rate (Federal Per Diem Rate), whichever is less. Receipts are required. Taxes are in addition to the Federal Per Diem Rate.

b) Lodging costs may exceed the County's maximum lodging rate only when a conference, meeting or convention is being sponsored by an organization of which the County, the department or employee is a member, the lodging may be claimed at the actual cost if seminars or meetings are to be held at the particular hotel and/or events are scheduled for evening hours, and the department head has given advance written authorization.

c) An original room folio receipt, showing the number of days and the number of occupants, is required for lodging claims. A copy of the receipt, travel agency statement or a credit card receipt alone is insufficient.

d) When a room is shared with a fellow County traveler, the expense may either be prorated, and the prorated amount claimed by each County traveler, or one County traveler may claim the total expense at the multiple occupancy rate.

e) When a room is shared with a person other than a County traveler and said person will also be claiming reimbursement from the County or another source, the amount shall be prorated between the two travelers.

f) Lodging expense may not be claimed for guests of the County traveler. Where expense for a family member or friend is included in the receipt, the claim must not exceed the single occupancy rate.

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g) Special lodging, such as accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings, shall require advance written authorization of the County Administrative Officer and the Auditor-Controller.

h) County travelers should inquire when making lodging arrangements whether the County is exempt from Transient Occupancy Taxes (TOT) in the locale where they are staying and should provide the necessary form to the lodging facility, if required to do so to obtain the waiver.

h) Except when registering for lodging at a pre-arranged group rate in conjunction with a conference or meeting, County travelers shall request the government rate or lowest available eligible rate when making lodging arrangements.

i) Travelers are responsible for canceling hotel rooms before the cancellation period ends and should record the cancellation number in case of disputes. Travelers will not be reimbursed for "no-show" hotel charges unless there are unavoidable reasons for not canceling the room.

j) When multiple country travelers are traveling together and the rooms are put on one invoice, one traveler may take care of the invoice but should provide the details on who stayed in each room on the invoice.

E. Registration Fees

Conference, convention and seminar registration and tuition fees may be claimed at the actual cost, provided that the agenda/brochure or other documentation describing the event, including the price, accompanies the approved claim to the Auditor-Controller's.

F. Other Travel Expenses

1. County travelers are eligible to claim a per diem incidental allowance, limited to the maximum federal per diem incidental rate established by the IRS, for each day of travel requiring an overnight stay away from the traveler's home. Said allowance covers fees and gratuities for persons who provide services, such as food servers and luggage handlers, and does not require receipts (Except for Board of Supervisors Meals). If applicable (such as a Board of Supervisor meal), gratuities are limited to not exceed 15% of the service costs unless billed by a provider's standard policy at a higher rate.

2. County travelers are eligible to claim the following expenses at actual cost, even if they also qualify for a per diem incidental allowance. Receipts are required.

   a) County business calls (traveler must annotate purpose of call on the bill)

   b) fax machine charges incurred to send or receive documents for County use.

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c) copy machine charges incurred to copy documents for County use.

d) Internet access connection and/or usage fees away from home not to exceed $15.00 per day, if Internet access is necessary for county related business.

e) other business related expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

VI. OTHER COUNTY BUSINESS EXPENSES

A. General Guidelines

In the course of conducting County business, employees, contractors or volunteers may incur business expenses (including meal expenses pursuant to Section V.C) on behalf of the County. Such expenses will be approved for reimbursement if the disbursement meets the following requirements:

- The disbursement is for an ordinary (not extravagant) and necessary expense of conducting County business, or is an expense that is required by the County,
- The expense is approved by a member of the County Board of Supervisors, or a County department head (or his or her designee), and
- The payee accounts for the expense in accordance with the rules for a "Accountable Expense Reimbursement Plan", as set forth in the Internal Revenue Code and related regulations.

B. Taxation of Business Expense Reimbursements

If a reimbursement to an employee, contractor or volunteer meets the requirements of an "Accountable Expense Reimbursement Plan", then such reimbursement will not be reportable for federal or California income tax purposes.

VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL

A. Travel Advance Claims

1. Authorizations and Eligibility

a) Travel advances are strongly discouraged and are only available to County employees. The issuance of travel advances creates double work for departmental and auditor-controller staff and should only be used if a County travel card cannot be used or the employee does not have a personal credit card. Board of Supervisors Members are not eligible for travel advances.

The first choice is for travelers to use their personal credit cards to pay for their

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travel expenses and be reimbursed before their monthly statement arrives. Secondly, the County has arranged for the use of the Travel Card to pay many travel related expenses. Departments may use their Travel Cards to pay for airline tickets and conference registration expenses for all of their employees, not just the cardholder. Commercial carrier and conference registration expenses should not be considered in the advance calculation. The third choice would be a cash advance, if necessary.

b) Travel advances require the authorization of the department head or his/her designee, and the Auditor-Controller or his/her designee.

c) The net amount of the travel advance shall not exceed the following:

(1) 75% of the total estimate for the following travel expenses, exclusive of payments made payable directly to the vendor:

(a) lodging (documentation, including at least the confirmation number and hotel name should be provided), including hotel parking

(b) rental vehicle transportation;

(c) per diem meal allowances;

(d) long-term airport parking;

(e) other out-of-pocket expenses deemed necessary and reasonable by the Auditor-Controller.

(2) 50% of the total estimate of reimbursement for mileage for business use of a private vehicle.

d) A travel advance shall not be issued for a net amount less than $100.00 nor more than $2,000.00.

e) A travel advance shall not be issued more than thirty (30) calendar days in advance of the commencement of travel.

f) Travelers are not eligible for an additional travel advance if they have an unsettled advance, unless the advances are for travel taken consecutively. In such case, the sum total of the travel advances shall not exceed $2,000.00.

2. Travel Advance Requests

a) Requests for travel advances involving travel shall be submitted by the department head to the Auditor-Controller's Office on a completed and signed

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"County of Monterey Travel Request" form, accompanied by all documentation relative to the request, at least ten (10) working days in advance of the commencement of travel.

b) After a completed and approved "County of Monterey Travel Request" form is received by the Auditor-Controller's Office, a warrant payable to the County traveler for the amount requested shall be issued, up to the 100% maximum amount allowed pursuant to this County travel policy.

3. Travel Advance Settlements

a) Within five (5) working days of completion of travel, the County traveler shall submit all receipts for allowable travel expenses to the Department and within fifteen (15) working days of completion of travel to the Auditor-Controller's Office on a completed County claim form. Credit for the travel advance shall be subtracted from the amount owed to the County traveler.

b) In the event that allowable expenses are less than the amount of the travel advance, the County traveler shall submit the difference in the form of a check or money order made out to the "County of Monterey" with the claim form.

c) County travelers who cannot provide a required receipt shall reimburse the County for the amount of the money advanced to them for that expense.

d) Travelers who do not submit the required documentation by the time frames set forth above may lose their eligibility for future travel advances.

e) Department heads are responsible for ensuring that their employees settle their travel advance claims within the time frames set forth in subsection a) above. Non-compliance may jeopardize advances for the entire department.

B. Prepaid Vendor Claims

1. Vendor Claim Requests

a) Once travel has been authorized, claims to the vendor may be submitted for lodging and registration fees when there is sufficient time for the check to be processed before the authorized County traveler commences travel.

b) If the travel requires a "County of Monterey Travel Request" form, the approved form shall be submitted with the claim. If the original has been submitted with a previous claim, then that shall be noted on the claim form and a copy of the form attached.

c) Whenever possible, the County shall be named as registrant for events to allow

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transfer of attendance privilege when conflicts prevent the original registrant from attending.

d) The County will mail the warrant directly to the vendor unless the traveler requests that the warrant be returned to them to hand carry to the vendor.

2. Vendor Claim Settlements

a) Each vendor claim must have an original receipt attached in order to settle the claim. The required receipts for vendor claims that have been prepaid shall be forwarded to the Auditor-Controller's Office within thirty (30) calendar days after completion of travel.

b) Claims paid directly to vendors that are not substantiated by receipts within thirty (30) calendar days of the completion of travel shall be considered to be unsettled travel advances to the County traveler.

c) Department heads are responsible for ensuring that their employees return their receipts within the time frames established by this policy. Non-compliance may jeopardize the department's ability to have travel expenses paid in advance.

d) In the event that all or a portion of the prepaid cost to a vendor is reduced after the check has been processed, the County traveler is responsible for ensuring that the entire difference is returned to the County within the time frames established for settling the claim.

C. Travel Reimbursement Claims

1. After completion of travel, the County traveler shall submit a completed County claim form to the department head for authorization. After review and authorization, the department head shall submit the authorized claim, together with any required receipts, to the Auditor-Controller's Office. Said claim shall be received by the Auditor-Controller's Office within thirty (30) calendar days of the completion of travel.

2. The traveler shall not be reimbursed until s/he has signed the certification for the claim that is required by the Auditor-Controller's Office.

3. The Auditor-Controller's Office shall review the claim for compliance with applicable County policies and procedures. If approved by the Auditor-Controller's Office, the claim shall be processed and a check sent to the claimant within ten (10) working days. If denied, or denied in part, the department's contact person will be notified immediately. The Auditor-Controller has the final decision on allowable expenses.

4. No reimbursement for travel shall be paid to the employee until all required receipts

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for the travel claim have been filed with the Auditor-Controller's Office.

5. Travel reimbursements are to be paid via checks and not to be paid via petty cash.

D. Mileage Claims

1. Whenever travel requires advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the same claim form as the other expenses that apply to that travel. The only exception is if mileage is the only expense of the trip, in which case the traveler may claim the mileage on the monthly "Mileage Reimbursement" claim form.

2. Whenever travel does not require advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the "Mileage Reimbursement" claim form.

3. Mileage claims shall be submitted monthly, unless the total for the month is less than $50.00, in which case the claim may be held for an additional month. However, the claim must not be held over to the next month more than twice, regardless of the dollar amount.

4. All mileage claims for the last month of the fiscal year must be processed by year-end close.

5. Mileage Claims are to be paid via warrants and not to be paid via petty cash.

E. Reimbursement by Outside Source

1. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources, including a County vehicle, to travel. In such cases, the traveler shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the claiming conditions set forth in this travel policy. Said reimbursement shall be delivered to the Auditor-Controller's Office within thirty (30) days of the receipt of the funds.

2. If a County volunteer or non-employee will be receiving a per diem or other reimbursement of travel expenses from a source outside of the County, the volunteer shall not be eligible to claim or receive any additional reimbursement from the County for the same expenses.

F. Late Claims

If a claim for reimbursement or settlement of a travel claim is submitted after the allowed time frames, the payment to the employee shall not be made until the claim has

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been reviewed and approved by the Auditor-Controller or his/her designee.

G. Travel Card Use

Subject to the rules contained in the Travel Card Policy, travel expenses (airline, hotel, vehicle rental, gas, emergency repair of county vehicles and airport parking) may be charged to County of Monterey Travel Cards. Prohibited items include employee meals, room service, movies, cash advances, gift cards of any kind, liquor, tobacco and other items prohibited by the Travel Card Policy. Under no circumstances should personal items (even if reimbursed to the county) be charged to the travel card. Expenses paid on the travel card should not be included on a claim for reimbursement.

VII. INTERPRETATIONS

The Auditor-Controller, or his/her designee, shall be responsible for interpretations of this policy.

VIII. EXCEPTIONS

Exceptions to this policy require the approval of the Auditor-Controller or his/her designee.

IX. CONFLICT WITH RULES

In the event that this County Travel policy is in conflict with another County policy, the policy with the strictest application shall prevail.

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Exhibit E:

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2024 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Pomphrey Consulting, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Pomphrey Consulting
Attn: Michelle Pomphrey
2683 Spring Hill Rd
Staunton, VA 24401
Phone: 540-448-2770
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

5.12 **Audit or Investigations**. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

DocuSigned by:
By: Michelle Pomphrey
25053351897C4A1

Print Name Michelle Pomphrey

Print Title CEO

Date: 2/26/2024 | 5:07 PM PST

COVERED ENTITY

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...

Print Name: Charles R. Harris

Print Title: CEO

Date: 4/9/2024 | 9:29 AM PDT

Approved by the County of Monterey Board of Supervisors on 11/01/16 and revised on 12/09/16

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EXHIBIT F:
NATIVIDAD MEDICAL CENTER
INSURANCE MODIFICATION JUSTIFICATION

Vendor/Contractor Name: Pomphrey Consulting, LLC
Services Description: Trauma Registrar Staffing Services

Business Automobile Liability Insurance Requirements

Business Automobile Liability Insurance requirements are waived. CONTRACTOR shall be providing services completely remote.

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RENEWAL AND AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN POMPHREY CONSULTING, LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TRAUMA REGISTRAR STAFFING SERVICES

This Renewal and Amendment No. 1 to the Services Agreement ("Agreement") which was effective on March 1, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Pomphrey Consulting, LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for trauma registrar staffing services with a term March 1, 2024 through February 28, 2025 and a total Agreement amount not to exceed $250,000; and

WHEREAS, the Agreement expired on March 1, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 1 retroactive to March 1, 2025 to extend the term through July 1, 2027 for a revised term of Agreement (March 1, 2024 through July 1, 2027) to allow for continued need of CONTRACTOR's services with no revisions to the scope of work or billing rates, with an increase of $200,000 for a revised total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT C, subject to the limitations set forth in this Agreement. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $450,000."

2. The first sentence of Section 3.1 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
   "The term of this Agreement is from March 1, 2024 through July 1, 2027 unless sooner terminated pursuant to the terms of this Agreement."

3. If there is any conflict or inconsistency between the provisions of Agreement, or this Renewal and Amendment No. 1, the provisions of this Renewal and Amendment No. 1 shall govern.

4. This Renewal and Amendment is effective retroactively on March 1, 2025.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 1 as follows:

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 7/29/2025 | 8:56 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:39 AM PDT

CONTRACTOR

Pomphrey Consulting, LLC
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: John G. Buck 5F542A85E495457...
(Signature of: Chair, President, or Vice-President)

John G. Buck, Vice President of Operations
Name and Title

Date: 6/26/2025 | 7:53 AM PDT

By: Signed by: Vicki Burton EEA9B21588C54F7...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Vicki Burton, Vice President of Education
Name and Title

Date: 6/26/2025 | 8:10 AM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15737 ; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,280,000 and extending the term by twelve months (April 1, 2025 to March 31, 2026) for a revised full agreement term of April 1, 2022 to March 31, 2026.

PASSED AND ADOPTED on this 3rd day of December 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 3, 2024.

Dated: December 9, 2024
File ID: A 24-531
Agenda Item No.: 42

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023 and April 1, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term by twelve (12) months and add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Two Hundred Eighty Thousand Dollars ($1,280,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until March 31, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

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4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

DocuSigned by:
By: Chris Gallagher
AEFC4B394B0E40F...
Its President

Date: 11/5/2024 | 5:07 PM EST

By: xxxxxxxxxxxxx
Its

Date:

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris
4E1F837D204E481...
Deputy Purchasing Agent

Date: 12/10/2024 | 2:53 PM PST

APPROVED AS TO LEGAL PROVISIONS:

Signed by:
Stacy Saetta
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 11/6/2024 | 1:15 PM PST

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...
Deputy Auditor/Controller

Date: 11/6/2024 | 4:01 PM PST

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023, April 1, 2024 and December 10, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Eighty Thousand Dollars ($1,680,000)."

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By: _____ Date: Jul 23, 2025
Its President 18K58WQ4-15Y8W5X7

By: XXXXXXX Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel Date: 7/31/2025 | 4:54 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller Date: 8/1/2025 | 7:42 AM PDT

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of October 1, 2025, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of September 1, 2023 (the **"Agreement"**) pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term of the Agreement for an additional twenty-four (24) months and add Eight Hundred Thousand Dollars ($800,000) to the aggregate amount payable to Contractor, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation**"), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Thousand Dollars ($1,600,000)**."**

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> "**5.1 Term.** This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2027 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

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4. **Exhibit 1.10**. Exhibit 1.10 to the Agreement is hereby renumbered as Exhibit 1.11 and deleted and replaced in its entirety and attached hereto as **Exhibit 1.11**.

5. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

7. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: Daniel Luba
B974AA04988425...
Its Daniel Luba

Date: 7/22/2025 | 5:14 PM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 7/28/2025 | 10:11 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/28/2025 | 2:28 PM PDT

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

Exhibit 1.11

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.

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6. Commit and contribute to the overall educational mission of Natividad and promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

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EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

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1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

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MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved: MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name: Daniel Luba

Signature: DocuSigned by: Daniel Luba B974AA244988425... Date: 7/22/2025 | 5:14 PM PDT

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SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) is entered into on the date executed by all Parties, with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, as amended September 20, 2023 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to add Advanced Practice Practitioner Supervision Services and compensation for such services, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 1.1**. Section 1.1 to the Agreement is hereby amended and restated in its entirety, as set forth below:

> **"1.1 Services.**
>
> **(a) Professional Services.** Contractor shall provide the professional services described in **Exhibit 1.1(a)** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.
>
> **(b) Supervisions Services.** Contractor shall provide supervision of any clinician employed or contracted by Hospital providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or APP Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.**"**

3. **Section 1.3**. Section 1.3 to the Agreement is hereby amended and restated in its entirety, as set forth below:

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> **"1.3 Additional Services.** Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Supervision Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

4. **Exhibit 1.1**. Exhibit 1.1 to the Agreement is hereby renumbered and incorporated by reference as **Exhibit 1.1(a)**.

5. **Exhibit 2.1**. Exhibit 2.1 to the Agreement is hereby deleted and replaced in its entirety and attached hereto as **Exhibit 2.1**.

6. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

8. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 70178DEF-765C-4F4F-B2DD-A71D8E43CAF0

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
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Date: 7/15/2024 | 11:50 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
4E1F837D204E481...
Deputy Purchasing Agent

Date: 7/19/2024 | 12:17 PM PDT

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 7/16/2024 | 4:26 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/17/2024 | 7:36 AM PDT

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Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(a) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(b) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(c) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Supervision Services.** Hospital shall pay Contractor One Thousand Dollars ($1,000) per month for Supervision Services of Advanced Practice Practitioners in accordance with all applicable Laws and all applicable bylaws, rules and regulations of the Hospital's medical staff (the "**Medical Staff**")

3. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), is made and entered into as of September 20, 2025 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, and as amended effective September 20, 2023 and September 20, 2024 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend by 12 months and modify the Code of Conduct at Exhibit 1.11.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1.** Section 5.1 to the Agreement is hereby amended restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 30, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Exhibit 1.11**. Exhibit 1.11 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 1.11**.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

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6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
A Ebenhoech
2DFEA8FB7DC941A...

Date: 7/23/2025 | 10:58 AM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
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Date: 7/25/2025 | 9:57 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
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Date: 7/28/2025 | 9:16 AM PDT

Deputy Auditor/Controller

Docusign Envelope ID: AF1C1855-D35D-4FFF-9FAF-A991EF9BD2BC

Exhibit 1.11

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.
6. Commit and contribute to the overall educational mission of Natividad and

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promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post- discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

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Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

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b. Harassing conduct includes, but is not limited to:

1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

Docusign Envelope ID: AF1C1855-D35D-4FFF-9FAF-A991EF9BD2BC

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved:** **MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name Adelheid Ebenhoech

Signature: DocuSigned by: 2DFEA8FB7DC941A... Date: 7/23/2025 | 10:58 AM PDT