

**AMENDMENT NO. 6
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN Audac AND
THE NATIVIDAD MEDICAL CENTER
FOR**

Repair and Maintenance of Pillow Speakers, Nurse Call Pull Cords and Clinical Alarms

This Amendment No. 6 to Professional Services Agreement ("Agreement"), dated July 1, 2006, is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Audac(Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor amended the Agreement previously on July 1, 2007 via Amendment No. 1, on July 1, 2008 via Amendment No. 2, on July 1, 2009 via Amendment No.3, on July 1, 2010 via Amendment No. 4, and on July 1, 2011 via Amendment No. 5

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue.

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement because of the term extension.

AGREEMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Exhibit A to the Agreement is replaced with Amendment-6 to Exhibit A, attached to this Amendment. All references in the Agreement to Exhibit A shall be construed to refer to Amendment-6 to Exhibit A.
2. Section 2. , "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$19,500.00*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-12060) shall not exceed the total sum of \$145,500.00 for the full term of the Agreement.*"
3. Section 3. , "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from July 1, 2006 to June 30, 2007 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from July 1, 2006 to June 30, 2013 unless sooner terminated pursuant to this Agreement.*"
4. Except as provided herein, all remaining terms, conditions, and provisions of the Agreement and Amendment Nos. 1, 2, 3, 4 and 5 are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Amendment and all previous amendments shall be attached to the original Agreement (A-12060).
6. The effective date of this Amendment is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

CONTRACTOR

Signature 1 Brian K. Laws

Dated 5/16/12

Printed Name Brian K. LAWS

Title President.

Signature 2 Anthony Cresto

Dated 5/16/12

Printed Name Anthony Cresto

Title Vice President

****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. 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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.*

NATIVIDAD MEDICAL CENTER

Signature _____
Purchasing Manager

Dated _____

Signature _____
NMC – CEO

Dated _____

Approved as to Legality and Legal Form:

Charles J. McKee, County Counsel

By Stacy Saetta
Stacy Saetta, Deputy
Attorneys for County and NMC

Reviewed as to fiscal provisions
[Signature]
Auditor-Controller
County of Monterey 6-1-12

Dated: 5/31, 2012



AMENDMENT 6 TO EXHIBIT A

AUDAC hourly billable rate for service/repair work is as follows,

Jul 1, 2012-Jun 30, 2013

Basic rate: \$140.00 per hour
Special rate: \$162.00 per hour

Jul 1, 2013 –Jun 30, 2014

Basic rate: \$140.00 per hour
Special rate: \$162.00 per hour

Jul 2014- Jun 30, 2015

Basic rate: \$145.00 per hour
Special rate: \$170.00 per hour

Our fees will be calculated as follows.

1. Audac shall bill COUNTY/NMC at its hourly rates for Audac technicians time spent traveling between Audac's San Rafael Headquarters and NMC.
2. In calculating Audac's charges for travel time billed COUNTY/NMC, Audac shall not include:
 - a. Anytime spent traveling to or at other Audac customers on technician's route to or from COUNTY/NMC.
 - b. Any travel time that adds to the distance between Audac's San Rafael Headquarters and NMC.
 - c. Any time associated with Audac technician's rest or lunch breaks.



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3. AUDAC shall bill COUNTY/NMC at its Basic rate, except that Audac may bill COUNTY/NMC at its Special rate where an Audac technician returns to Audac San Rafael Headquarters beyond the technician's 8-hour work day as a result of time spent at NMC. In calculating whether an Audac technician has returned to Audac San Rafael Headquarters beyond the technician's 8-hour work day as a result of time spent at NMC, Audac shall not include:
- a. Anytime spent traveling to or at other Audac customers on technician's route to or from COUNTY/NMC.
 - b. Any travel time that adds to the distance between Audac San Rafael Headquarters and NMC.
 - c. Any time associated with Audac technician's rest or lunch breaks.

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	August 23, 2011	AGENDA NO.:	
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement with Audac for the furnishing of Pillow Speakers, Nurse Call Pull Cords and Clinical Alarm Services at NMC in an amount not to exceed \$120,500 in the aggregate and \$20,000 for the period July 1, 2011 to June 30, 2012.		
DEPARTMENT:	Natividad Medical Center		

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement with Audac for the furnishing of Pillow Speakers, Nurse Call Pull Cords and Clinical Alarm Services at NMC in an amount not to exceed \$120,500 in the aggregate and \$20,000 for the period July 1, 2011 to June 30, 2012.

SUMMARY/DISCUSSION:

Audac has provided pillow speaker, nurse call system and clinical alarm maintenance services for Natividad Medical Center since July of 2006. Audac is an authorized distributor and service contractor for Natividad Medical Center's nurse call system.

These systems are critical for patient satisfaction and safety. These systems perform a variety of functions, ranging from code blue (Heart attack) to respirator alarms in the Intensive Care Unit. Additionally, nurses are required to answer calls from patients within 10 minutes, and the nurse call system is our method for the patient to communicate a need to the nurse that may be rounding on other patients.

The recommendation is to approve the Amendment #5 for the continued use of Audac's services.

OTHER AGENCY INVOLVEMENT:

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$20,000 and is included in the 2011/2012 Fiscal Year Adopted Budget. This action will not require any additional General Fund subsidy.

Prepared by:
James Kari, Engineering Director 755-4081
April 5, 2011

Harry Weis
Chief Executive Officer

Attachments: Amendments #1, 2, 3, 4, 5, Original Agreement, Board Order
Attachments on file with the Clerk to the Board

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. A-12060

Authorize the Purchasing Manager for Natividad)
Medical Center (NMC) to execute Amendment No.)
5 to the Agreement with Audac for the furnishing of)
Pillow Speakers, Nurse Call Pull Cords and Clinical)
Alarm Services at NMC in an amount not to exceed)
\$120,500 in the aggregate and \$20,000 for the period)
July 1, 2011 to June 30, 2012.....)

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta, and carried by those members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement with Audac for the furnishing of Pillow Speakers, Nurse Call Pull Cords and Clinical Alarm Services at NMC in an amount not to exceed \$120,500 in the aggregate and \$20,000 for the period July 1, 2011 to June 30, 2012.

PASSED AND ADOPTED on this 23rd day of August, 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, 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 75 for the meeting on August 23, 2011.

Dated: August 26, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By 
Deputy

**RENEWAL AMENDMENT NO. 5
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN AUDAC AND
THE NATIVIDAD MEDICAL CENTER
FOR**

For the Furnishing of Pillow Speakers, Nurse Call Pull Cords and Clinical Alarms

The parties to Professional Service Agreement, dated July 01, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and AUDAC (Contractor), hereby agree to renew their Agreement No. (SC 0995) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (SC 0995).
2. This Amendment shall become effective on July 1, 2011 and shall continue in full force until June 30, 2012.
3. The total amount payable by County to Contractor under Agreement No. (SC 0995 shall not exceed the total sum of \$120,500 for the full term of the Agreement and \$20,000 for fiscal year 2011-2012.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (SC 0995).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature 1 Brian H. Laws Dated 4/27/2011

Printed Name Brian H. Laws Title President

Signature 2 Frances E. Laws Dated 4/27/2011

Printed Name Frances E. Laws Title Secretary/Treasurer

****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. 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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.*

NATIVIDAD MEDICAL CENTER

Signature JM Lavo Dated 5-27-11
Purchasing Manager

Signature [Signature] Dated 5/20/11
NMC - CEO

Approved as to Legal Form:
Charles J. McKee, County Counsel

By [Signature]
Stacy Saetta, Deputy
Attorneys for County and NMC

Reviewed as to legal provisions
[Signature]
Auditor-Controller
County of Monterey
Dated: 6/30, 2011
2-5-11

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	July 13, 2010	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors (outlined in the Board Order) at NMC in FY 2010-11.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors (outlined in the Board Order) at NMC in FY 2010-11.

SUMMARY/DISCUSSION:

At the end of each fiscal year Natividad Medical Center must renew expiring service contracts with various vendors in order to maintain a current purchase order. This ensures timely payment of invoices and avoids any disruption in services. Attachment A to this report is a list of current vendor service contracts requiring renewal for Fiscal Year 2010-2011. All of the contracts are Amendments to previous established contracts with no changes in the scope of service. NMC will do separate reports for all amended contracts that include a change to the scope of service.

OTHER AGENCY INVOLVEMENT:

The Amendments have been reviewed and approved by County Counsel County Counsel, the Auditor/Controller's office and by the Natividad Medical Center Board of Trustees.

FINANCING:

The cost of the Contract Amendments is \$2,470,675 and is included in the FY 2010-11 Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:
Sid Cato, Management Analyst
April 29, 2010
Attachments: Attachment A

Harry Weis
Chief Executive Officer

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Authorize the Purchasing Manager for Natividad Medical Center)
(NMC) to execute the contract renewal amendments for the)
continuation of various existing services with multiple vendors)
(outlined in the Board Order) at NMC in FY 2010-11, not to)
exceed \$2,470,675.)

Upon motion of Supervisor Parker, seconded by Supervisor Armenta, and carried by those members present, effective July 13, 2010, the Board hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors (outlined in the Board Order) at NMC in FY 2010-11, not to exceed \$2,470,675, with the following multiple vendors:

Vendor Name	Service	Amendment #	Current Contract Term Dates	FY 11 AMOUNT
A&B Fire Extinguisher	Halon System, Fire Sprinkler & Extinguisher Maintenance	#4	7-1-06 thru 6-30-11	\$30,000
Audac	Pillow Speakers, Nurse Call Cords and Clinical Alarms	#4	7-1-06 thru 6-30-11	\$14,000
First Alarm Security	Fire/Burglar Alarm Access Control Systems	#1	11-1-09 thru 6-30-11	\$75,000
Johnson Controls	Repair & Maintenance of Various Mechanical Systems & VFD's	#5	7-1-06 thru 6-30-11	\$82,000
Medispec	Corpeal Shock Wave Litotripsy System	#1	8-1-08 thru 6-30-11	\$75,000
Metro Republic Commercial Service	Bad Debt Collection	#2	8-1-07 thru 6-30-11	\$700,000
Mission Linen	Linen Processing Services	#2	9-12-08 thru 6-30-11	\$450,000
Morehead Associates	Employee Survey	#5	8-1-07 thru 6-30-11	\$30,000
NMC Volunteer Auxiliary	Volunteer Management Services	#5	9-15-05 thru 6-30-11	\$80,675
Credit Consulting Services	Bad Debt Collection	#2	8-1-07 thru 6-30-11	\$700,000
Pharmedium Services	Compounding Pharmaceutical Supplies & IV Solution	#4	1-31-06 thru 6-30-11	\$60,000
Professional Research Consultants	Patient Satisfaction Survey Services	#4	7-1-05 thru 6-30-11	\$24,000
ThyssenKrupp	Elevator Repair & Maintenance	#5	7-1-06 thru 6-30-11	\$50,000
Total Repair Express	Repair & Maintenance of Operating Room Equipment	#5	4/5/05 thru 6-30-11	\$80,000
TOTAL				\$2,470,675

PASSED AND ADOPTED this 13th day of July, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Caicagno, Salinas, Parker, Potter

NOES: None

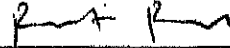
ABSENT: None

I, Gail T. Borkowski, 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 75 for the meeting on July 13, 2010.

Dated: July 13, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By



Deputy

**RENEWAL AMENDMENT NO. 4
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Audac AND
THE COUNTY OF MONTEREY
FOR**

For the Furnishing of Pillow Speakers, Nurse Call Pull cords and Clinical Alarms

The parties to Professional Service Agreement, dated July 01, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Audac (Contractor), hereby agree to renew their Agreement No. (B960949401) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (BPO 509).
2. This Renewal Amendment shall become effective on July 01, 2010 and shall continue in full force and extending the term date until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (BPO 509) shall not exceed the total sum of \$100,500.00 for the full term of the Agreement and \$14,000.00 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (BPO 509).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature Brian K. Laws Dated 5-2-2010
 Printed Name Brian K. LAWS Title President

COUNTY OF MONTEREY

Signature [Signature] Dated 6/11/10
 Purchasing Manager
 Signature [Signature] Dated 5/11/10
 NMC - CEO

Approved as to Legal Form:

Charles J. McKee, County Counsel

By Stacy Saetta Dated: 5/17/2010
 William Litt, Deputy Attorneys for County and NMC
 Stacy Saetta

Reviewed as to fiscal provisions
[Signature]
 Auditor-Controller
 County of Monterey
 5-17-10

(Original Agreement No. (B960949401))

**RENEWAL AMENDMENT NO. 3
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Audac AND
THE COUNTY OF MONTEREY
FOR**

For the Furnishing of Pillow Speakers, Nurse Call Pull cords and Clinical Alarms

The parties to Professional Service Agreement, dated July 01, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Audac (Contractor), hereby agree to renew their Agreement No. (B960949401) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (B960949401).
2. This Renewal Amendment shall become effective on July 01, 2009 and shall continue in full force and extending the term date until June 30, 2010.
3. The total amount payable by County to Contractor under Agreement No. (B960949401) shall not exceed the total sum of \$86,500.00 for the full term of the Agreement and \$18,500.00 for fiscal year 2009-2010.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (B960949401).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

Subject to travel policy

CONTRACTOR AUDAC

Signature *Bryan K. Lewis*

Dated 2-27-09

Printed Name Bryan K. Lewis

Title President

COUNTY OF MONTEREY

Signature *[Signature]*
Purchasing Manager

Dated 5/27/09

Signature *[Signature]*
NMC - CEO

Dated 9/7/09

Approved as to Legal Form:
Charles J. Wicks, County Counsel

By *[Signature]*
William Litt, Deputy
Attorneys for County and NMC

Reviewed *[Signature]* as to fiscal provisions
Auditor-Controller
County of Monterey
Dated 4/17 2009
4-17-09

(Original Agreement No. (B960849401))

**RENEWAL AMENDMENT NO. 2
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Audac AND
THE COUNTY OF MONTEREY
FOR**

The Furnishing of Pillow Speakers, Nurse Call Pullcords and Clinical Alarms

The parties to Professional Service Agreement, dated July 02, 2007 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Audac (Contractor), hereby agree to renew their Agreement No. (B960849401) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (B960849401).
2. This Renewal Amendment shall become effective on July 1, 2008 and shall continue in full force and extending the term date until June 30, 2009.
3. The total amount payable by County to Contractor under Agreement No. (B960849401) shall not exceed the total sum of \$55,000.00 for the full term of the Agreement; and \$27,500.00 for fiscal year 2008-2009.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (B960849401)

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

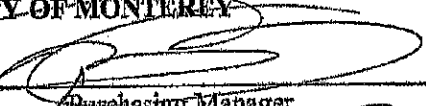
Signature 

Dated 3-13-08

Printed Name Brian K. LAWS

Title President

COUNTY OF MONTEREY

Signature 

Dated 7/15/08

Purchasing Manager

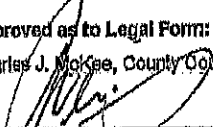
Signature 

Dated _____

NMC - CEO

Approved as to Legal Form:

Charles J. McKee, County Counsel

By  WILLIAM M. LITT
Attorneys for County and NMC

Dated: 4/16, 2008

(Original Agreement No. (B960749401))

**RENEWAL AMENDMENT NO. 1
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Audac AND
THE COUNTY OF MONTEREY
FOR**

The Furnishings of Pillow Speakers, Nurse Call Pullcords and Clinical Alarms

The parties to Professional Service Agreement, dated July 1, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Audac (Contractor), hereby agree to renew their Agreement No. B960749401 on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. B960749401
2. This Renewal Amendment shall become effective on July 1st, 2007 and shall continue in full force and extending the term date until July 30th, 2008.
3. The total amount payable by County to Contractor under Agreement No. B960749401 shall not exceed the total sum of \$40,500.00 for the full term of the Agreement; and \$21,000.00 for fiscal year 2007-2008.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. B960749401

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature Brian K. Law's

Dated 5/19/07

Printed Name Brian K. Law's

Title President

COUNTY OF MONTEREY

Signature [Signature]
Purchasing Manager

Dated 7/5/07

Signature _____
NMC - CEO

Dated: _____

Approved as to Legal Form:
Charles J. McKee, County Counsel

By W. Allen Bidwell
W. Allen Bidwell, Deputy
Attorneys for County and NMC

Dated: 05-29-2007

FILE COPY

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$25,000)

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 AUDAC

(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 nurse call repairs and purchase of such related items (i.e. pillow speakers, nurse call pull cords, clinical alarms, etc.) for Natividad Medical Center

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 \$ 19,500.00.

3. **TERM OF AGREEMENT.** The term of this Agreement is from July 1, 2006 to June 30, 2007, 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

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 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. CONTRACTOR shall indemnify, defend, and hold harmless the 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 the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the 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.

9.01. 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, Broadform 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 \$500,000 per occurrence.

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.

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

9.02. Other Insurance 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.

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 form 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 form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

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 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 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.

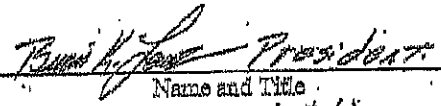
10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

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, 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. **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.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County's and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Name and Title	 Name and Title
Address	3095 KENNER BLVD # 11 SAN RAFAEL, CA 94901 Address
Phone	415 459-3095 Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01. **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.

15.02. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03. 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.

15.04. 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.

15.05. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06. 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.

15.07. 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.

15.08. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.09. 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 both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

15.13. 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.

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. 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.

15.16. 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.

15.17. 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.

This space is left blank, intentionally.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Purchasing Manager

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form

By: W. Allen Bidwell

Date: 07-13-2006
Deputy County Counsel

Approved as to Fiscal Provisions¹

By: _____
Auditor/Controller

Date: _____

RISK MANAGEMENT
COUNTY OF MONTEREY

Approved as to (Liability/Professional
INSURANCE LANGUAGE)

By: _____
Risk Management

Date: 7/13/06

AUDAC
Contractor's Business Name*

By: Brian K. Laws
(Signature of Chair, President, or
Vice-President)*

BRIAN K. LAWS President
Name and Title

Date: 4/18/2006

By: Frances E. Laws
(Signature of Secretary, Asst. Secretary, CFO, or
Asst. Treasurer)*

FRANCES E. LAWS TREASURER
Name and Title

Date: 4-18-06

*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. 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.

¹Approval by Auditor/Controller is necessary only if changes are made in paragraph 6 or if changes are made in paragraph 2 by amendment.

²Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9.

EXHIBIT A

Scope of Services

CONTRACTOR shall provide nurse call repairs and purchase of such related items (i.e. pillow speakers, nurse call pull cords, and clinical alarms, etc.) for Natividad Medical Center.

Payment Provisions

1. Subject to the limitations set forth herein, County shall pay to CONTRACTOR during the term of July 1, 2006 to June 30, 2007. The maximum obligation of the County for services provided hereunder shall be \$19,500.00.
2. If for any reason this Agreement is cancelled, County's maximum liability shall be the total utilization to date of cancellation not to exceed the maximum amount listed above.
3. If County certified payment at a lesser amount than the amount requested, County shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the County within 20 days after the CONTRACTOR's receipt of the County notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.
4. County will pay CONTRACTOR the following rate fees:
 - \$95.00/hour
 - \$0.75/mile on travel
 - Materials will be billed separately
5. Other payment provisions are set forth in Section 6 of the Agreement.

SOLE SOURCE/SOLE BRAND JUSTIFICATION

OVERVIEW:

Purchasing recognizes that departments often invest a great deal of time and effort in selecting a source or brand, prior to submitting a requisition to Purchasing. Even though the department's review process prior to the submittal of a requisition may be sound, departments may unknowingly discourage free and open competition by requesting a single vendor or product. Additionally, the County is bound by both federal and local laws as well as County Policies of which County Staff may be not be aware of. The lack of an effective means of communication between buyer and requesting departments can lead to both lost time in completing the requisition as well as possible adverse legal actions towards the Hospital, County and the requesting staff member. Purchasing can be an effective partner in a competitive review process given adequate time and involvement in your requirement definitions.

In an effort to expedite sole source/brand requisition requests through purchasing, we would encourage you to review the criteria for Sole Source/Brand form herein. If you feel your request meets such criteria, follow the instructions in filling out the form and attach it to your requisition. If sole source/brand justification is warranted and accepted by Purchasing, the requisition will be processed for the sole source/brand as requested.

This is an internal review process. Departments are requested to use discretion in their discussion with vendors so as not to compromise any competitive advantage the Buyer may utilize, regardless of the acceptance or rejection of the sole source/brand justification.

Rather than merely a shift of the review process and burden, this process acknowledges the significant effort a department may undertake when identifying a vendor or brand, and provides you with the method by which to make your requisitioning efforts more efficient under sole source/brand conditions.

Purchasing will advise you when a particular competitive review process may both serve the County better and/or be required by governing law.

In order for us to accept a request for sole source/brand the certification, the form referenced herein should be made a part of your justification and be signed by an authorized department representative. This certification will remain on file as part of your requisition package for audit purposes.

SOLE SOURCE PURCHASING:

On rare occasions there may be a need to purchase goods or services from one vendor/contractor without going to formal bid or requesting competitive quotations. This is known as "Sole Source" purchasing.

“Sole Source” purchasing is authorized by Monterey County Code 2.32.040, Emergency Purchases, and by Monterey County Code 2.32.070, Competitive Bidding Not Required.

A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of the County.

“Sole Source” purchasing may be necessary under certain circumstances such as an emergency wherein the department head or other County Official who is authorized to sign requisitions may purchase items for the continuance of the department function, or that items purchased are necessary for the preservation of life or property, and that no authorized purchasing department personnel are immediately available to make the purchase.

The designation of a “Sole Source” supplier must be authorized by the Hospital Purchasing Agent before the requirement for competitive quotations is waived.

PROCEDURE:

Sole source/brand purchasing is an exception to the normal procurement function and requires a detailed justification. In processing sole source/brand requests for supplies, services and/or equipment, Purchasing adheres to and is governed by the principles set forth in both the Federal and State Laws governing public purchasing and the Public Contract Code, and by the adopted and approved County of Monterey Policies and Procedures, as well as the Natividad Medical Center Purchasing Policies and Procedures. As such, our decision is final.

If you are requesting a particular vendor, brand or product, you must make this fact clear on your requisition. Such a request should not be made unless the request is reasonable and appropriately justified to meet legal requirements and can withstand a possible audit. The Hospital requirements and the format for submitting such requests are contained herein. Please make copies of the Criteria for Sole Source/Brand form for your future use.

The following factors **DO NOT** apply to sole source/brand requests and should not be included in your sole source/brand justification. They will not be considered and only tend to confuse the evaluation process.

1. Personal preference for product or vendor
2. Cost, vendor performance, and local service (this may be considered an award factor in competitive bidding)
3. Features which exceed the minimum department requirements
4. Explanation for the actual need and basic use for the equipment, unless the information relates to a request for unique factors
5. A request for no substitution submitted without justification. This is a sole source/brand request requiring detailed justification including established sole source/brand criteria.

**Natividad Medical Center Purchasing Department
JUSTIFICATION OF SOLE SOURCE/SOLE BRAND REQUEST**

Purchase Requisition Number _____ Date 02-22-2012

Description of Item: Nurse Call System Maintenance

1. Please indicate the following:

Procurement: Goods
 Services

(Check One)

Sole Source: Item is available from one source only. Item is a one-of-a kind and is not sold through distributors. Manufacturer is exclusive distributor.

Sole Brand: Various sources can supply the specified model and brand and competitive bids will be solicited for the requested brand only. Meets form, fit and function- nothing else will do.

Note: Sole Source/Sole Brand Requests are not maintained as a standing request. Each request is for a single one-time purchase only.

2. Vendor Selection:

Preferred Vendor
 Sole Source

Vendor Name: Audac Inc.
Address: 3095 Kerner Blvd, Suite U City: San Rafael State: CA
Phone Number: (415) 459-3095 Fax: ()
Contact Person: Brian Laws Title: President
Federal Employer #: _____

3. Provide a brief description of the goods/services to be purchased and why this purchase is being proposed under a sole source acquisition.

a) Why were product and/or vendor chosen?

Audac Inc. Is the authorized distributor for Fisher Berkeley nurse call system. The system is nearing obsolescence Audac Inc. possesses the necessary expertise and knowledge of the system.

- b) What are the unique performance features of the product/brand requested that are not available in any other product/brand? For Services: what unique qualifications, rights, and licenses does the vendor possess to qualify as a sole source/brand request?

See 3A

- c) Why are these specific features/qualifications required?

See 3A

- d) What other products/services have been examined and/or rejected?

N / A

- e) Why are other sources providing like goods or services unacceptable (please give a full meaningful explanation)?

See 3A

- f) What are the unique performance features **REQUIRED** (not merely preferred), and how would your requirement be inhibited without this particular item or service?

- g) Estimated Costs:

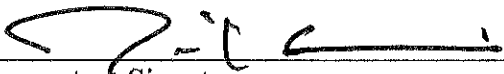
4. Is there an unusual or compelling urgency associated with this project?

- No
- Yes (Please describe)


THE FOLLOWING TO BE COMPLETED BY THE REQUESTOR

I hereby certify that:

1. I am an approved department representative, and am aware of the Hospital's requirements for competitive bidding, as well as the criteria for justification for sole source/brand purchasing.
2. I have gathered the required technical information and have made a concentrated effort to review comparable and/or equal equipment.
3. The information contained herein is complete and accurate.
4. There is justification for sole source/brand purchasing noted above as it meets the County's criteria.
5. A sole source/brand purchase in this case would withstand a possible audit or a vendor's protest.


Requestors Signature

9-16-12
Date


Authorized Signature by Department Head

9/18/12
Date

Approval by the Hospital Purchasing Agent:

Authorized Signature

Date

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

04/11/12

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 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 CAL Insurance & Associates Inc License #0241094 2311 Taraval Street San Francisco, CA 94116-2253 Scott Hauge	415-661-6500	CONTACT NAME: PHONE (A/C, No. Ext): E-MAIL ADDRESS:	FAX (A/C, No):													
	415-661-2254	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A : Preferred Employers Ins Co Inc</td> <td>10900</td> </tr> <tr> <td>INSURER B : Catlin Specialty Insurance Co.</td> <td></td> </tr> <tr> <td>INSURER C : SAFECO- Commercial Lines</td> <td>24740</td> </tr> <tr> <td>INSURER D : Mt Hawley Insurance Co</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Preferred Employers Ins Co Inc	10900	INSURER B : Catlin Specialty Insurance Co.		INSURER C : SAFECO- Commercial Lines	24740	INSURER D : Mt Hawley Insurance Co		INSURER E :		INSURER F :
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INSURER E :																
INSURER F :																
INSURED Audac Communications ZBS Inc. 3095 Kerner Blvd Suite U San Rafael, CA 94901																

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

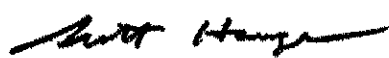
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE 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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	GENERAL LIABILITY	X		GLS205917-1212	12/10/11	12/10/12	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. \$ 10,000
C	AUTOMOBILE LIABILITY	X		02CE136632-60	07/29/11	07/29/12	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
D	UMBRELLA LIAB			EXM0315180	08/22/11	08/22/12	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$						OCCUR CLAIMS-MADE AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WKN110937-11	10/01/11	10/01/12	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THE COUNTY OF MONTEREY, ITS AGENTS, OFFICERS AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED, PRIMARY APPLIES PER ATTACHED CG2010/2037 0704 AND AUTO ENDORSEMENT CA7110 ATTACHED.

CERTIFICATE HOLDER**CANCELLATION**

NATIVID Natividad Medical Center Attn: Engineering Department 1441 Constitution Boulevard Salinas,, CA 93906	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 
---	---

© 1988-2010 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES

**COMMERCIAL AUTO
CA 71 10 03 07**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

EXTENDED CANCELLATION CONDITION

Paragraph 2.b. of the CANCELLATION Common Policy Condition is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

TEMPORARY SUBSTITUTE AUTO — PHYSICAL DAMAGE COVERAGE

Under paragraph C. — CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS of SECTION 1 — COVERED AUTOS, the following is added:

If Physical Damage coverage is provided by this Coverage Form, then you have coverage for:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss" or destruction.

BROAD FORM NAMED INSURED

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period.

BLANKET ADDITIONAL INSURED

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- e. Any person or organization for whom you are required by an "insured contract" to provide insurance is an "insured", subject to the following additional provisions:
 - (1) The "insured contract" must be in effect during the policy period shown in the Declarations, and must have been executed prior to the "bodily injury" or "property damage".
 - (2) This person or organization is an "insured" only to the extent you are liable due to your ongoing operations for that insured, whether the work is performed by you or for you, and only to the extent you are held liable for an "accident" occurring while a covered "auto" is being driven by you or one of your employees.
 - (3) There is no coverage provided to this person or organization for "bodily injury" to its employees, nor for "property damage" to its property.
 - (4) Coverage for this person or organization shall be limited to the extent of your negligence or fault according to the applicable principles of comparative negligence or fault.
 - (5) The defense of any claim or "suit" must be tendered by this person or organization as soon as practicable to all other insurers which potentially provide insurance for such claim or "suit".

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- (6) The coverage provided will not exceed the lesser of:
 - (a) The coverage and/or limits of this policy; or
 - (b) The coverage and/or limits required by the "insured contract".
- (7) A person's or organization's status as an "insured" under this subparagraph d ends when your operations for that "insured" are completed.

EMPLOYEE AS INSURED

Under Paragraph A. of Section II — LIABILITY COVERAGE item f. is added as follows:

Your "employee" while using his owned "auto", or an "auto" owned by a member of his or her household, in your business or your personal affairs, provided you do not own, hire or borrow that "auto". This coverage is excess to any other collectible insurance coverage.

FELLOW EMPLOYEE COVERAGE

Exclusion 5. FELLOW EMPLOYEE of SECTION II — LIABILITY COVERAGE — B. EXCLUSIONS is amended by the addition of the following:

However, this exclusion does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire, and provided that any coverage under this provision only applies in excess over any other collectible insurance.

BLANKET WAIVER OF SUBROGATION

We waive the right of recovery we may have for payments made for "bodily injury" or "property damage" on behalf of the persons or organizations added as "insureds" under Section II — LIABILITY COVERAGE — A.1.D. BROAD FORM NAMED INSURED and A.1.e. BLANKET ADDITIONAL INSURED.

PHYSICAL DAMAGE — ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

The first sentence of paragraph A.4. of SECTION III — PHYSICAL DAMAGE COVERAGE is amended as follows:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

PERSONAL EFFECTS COVERAGE

A. SECTION III — PHYSICAL DAMAGE COVERAGE, A.4. COVERAGE EXTENSIONS, is amended by adding the following:

c. Personal Effects Coverage

For any Owned "auto" that is involved in a covered "loss", we will pay up to \$500 for "personal effects" that are lost or damaged as a result of the covered "loss", without applying a deductible.

EXTRA EXPENSE — BROADENED COVERAGE

Paragraph A. — COVERAGE of SECTION III — PHYSICAL DAMAGE COVERAGE is amended to add:

- 5. We will pay for the expense of returning a stolen covered "auto" to you.

AIRBAG COVERAGE

Under paragraph B. — EXCLUSIONS of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

NEW VEHICLE REPLACEMENT COST

Under Paragraph C — LIMIT OF INSURANCE of Section III — PHYSICAL DAMAGE COVERAGE section 2 is amended as follows:

- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss. However, in the event of a total loss to your "new vehicle" to which this coverage applies, as shown in the declarations, we will pay at your option:
 - a. The verifiable "new vehicle" purchase price you paid for your damaged vehicle, not including any insurance or warranties purchased;
 - b. The purchase price, as negotiated by us, of a new vehicle of the same make, model and equipment, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership. If the same model is not available pay the purchase price of the most similar model available;

- c. The market value of your damaged vehicle, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership.

This coverage applies only to a covered "auto" of the private passenger, light truck or medium truck type (20,000 lbs or less gross vehicle weight) and does not apply to initiation or set up costs associated with loans or leases.

TWO OR MORE DEDUCTIBLES

Under SECTION III — PHYSICAL DAMAGE COVERAGE, if two or more "company" policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement "company" means:

- a. Safeco Insurance Company of America
- b. American States Insurance Company
- c. General Insurance Company of America
- d. American Economy Insurance Company
- e. First National Insurance Company of America
- f. American States Insurance Company of Texas
- g. American States Preferred Insurance Company
- h. Safeco Insurance Company of Illinois

LOAN/LEASE GAP COVERAGE

Under paragraph C — LIMIT OF INSURANCE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

- 4. The most we will pay for a total "loss" in any one "accident" is the greater of the following, subject to a \$1,500 maximum limit:

- a. Actual cash value of the damaged or stolen property as of the time of the "loss", less an adjustment for depreciation and physical condition; or

- b. Balance due under the terms of the loan or lease that the damaged covered "auto" is subject to at the time of the "loss", less any one or all of the following adjustments:

- (1) Overdue payment and financial penalties associated with those payments as of the date of the "loss".
- (2) Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear.
- (3) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease.
- (4) Transfer or rollover balances from previous loans or leases.
- (5) Final payment due under a "Balloon Loan".
- (6) The dollar amount of any un-repaired damage that occurred prior to the "total loss" of a covered "auto".
- (7) Security deposits not refunded by a lessor.
- (8) All refunds payable or paid to you as a result of the early termination of a lease agreement or any warranty or extended service agreement on a covered "auto".
- (9) Any amount representing taxes.
- (10) Loan or lease termination fees

GLASS REPAIR — WAIVER OF DEDUCTIBLE

Under paragraph D. — DEDUCTIBLE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITION 2.a. — DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS — of SECTION IV — BUSINESS AUTO CONDITIONS that you must notify us of an

"accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV — BUSINESS AUTO CONDITIONS — B.2. is amended by the addition of the following:

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

HIRED AUTO — LIMITED WORLD WIDE COVERAGE

Under **Section IV — Business Conditions, Paragraph B.7.b.e(1)** is replaced by the following:

- (1) The "accident" or "loss" results from the use of an "auto" hired for 30 days or less.

RESULTANT MENTAL ANGUISH COVERAGE

SECTION V — DEFINITIONS — C. is replaced by the following:

"Bodily Injury" means bodily injury, sickness or disease sustained by a person including mental anguish or death resulting from any of these.

HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability coverage and if Comprehensive, Specified Causes of Loss or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow.

The most we will pay for loss to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" of the private passenger or light truck type for that coverage. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit,

deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

HIRED AUTO PHYSICAL DAMAGE COVERAGE — LOSS OF USE

SECTION III — PHYSICAL DAMAGE A.4.b. Form does not apply.

Subject to a maximum of \$1,000 per accident, we will cover loss of use of a hired "auto" if it results from an accident, you are legally liable and the lessor incurs an actual financial loss.

RENTAL REIMBURSEMENT COVERAGE

A. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.

B. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

1. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
2. 30 days.

C. Our payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred.
2. \$50 per day.

D. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

E. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the PHYSICAL DAMAGE COVERAGE Coverage Extension.

F. The Rental Reimbursement Coverage described above does not apply to a covered "auto" that is described or designated as a covered "auto" on

Rental Reimbursement Coverage Form
CA 99 23.

the manufacturer for the installation of a radio.

AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

A. Coverage

1. We will pay with respect to a covered "auto" for "loss" to any electronic equipment that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto".
2. We will pay with respect to a covered "auto" for "loss" to any accessories used with the electronic equipment described in paragraph A.1. above.

However, this does not include tapes, records or discs.
3. If Audio, Visual and Data Electronic Equipment Coverage form CA 99 60 or CA 99 94 is attached to this policy, then the Audio, Visual and Data Electronic Equipment Coverage described above does not apply.

B. Exclusions

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to this coverage. In addition, the following exclusions apply:

We will not pay for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" for the monitoring of the covered "auto's" operating system; or
2. Both:
 - a. an integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto"; and
 - b. permanently installed in the opening of the dash or console normally used by

C. Limit of Insurance

With respect to this coverage, the LIMIT OF INSURANCE provision of PHYSICAL DAMAGE COVERAGE is replaced by the following:

1. The most we will pay for "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
 - c. \$1,000.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

1. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Comprehensive or Collision Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" to audio, visual or data electronic equipment caused by fire or lightning.
2. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Specified Causes of Loss Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.
3. If "loss" occurs solely to the audio, visual or data electronic equipment or accessories used with this equipment, then for each covered "auto" our obligation to pay for, repair,

return or replace damaged or stolen property will be reduced by a \$100 deductible.

4. In the event that there is more than one applicable deductible, only the highest deductible will apply. In no event will more than one deductible apply.

SECTION V – DEFINITIONS is amended by adding the following:

- Q. "Personal effects" means your tangible property that is worn or carried by you, except for tools, jewelry, money, or securities.
- R. "New vehicle" means any "auto" of which you are the original owner and the "auto" has not been previously titled and is less than 365 days past the purchase date.