

**COUNTY OF SONOMA AGREEMENT FOR
EMERGENCY GROUND AMBULANCE SERVICE IN THE
EXCLUSIVE OPERATING AREA**

This agreement ("Agreement"), dated as of _____, 20__ ("Effective Date") is by and between the County of Sonoma, a political subdivision of the State of California (hereinafter "County"), on behalf of its EMS Agency and _____ (hereinafter "Contractor").

RECITALS

WHEREAS, County is authorized by law to develop an EMS system, and has designated its Department of Health Services as the EMS Agency pursuant to the EMS and Prehospital Care Personnel Act (Health and Safety Code sections 1797 et seq. hereinafter referred to as the "EMS Act"); and

WHEREAS, the EMS Agency has engaged in a competitive process pursuant to the EMS Act for the selection of a contractor to provide Emergency Ground Ambulance Services in the EOA as described in the map attached hereto as Exhibit A in accordance with the EMS Agency's Request for Proposals dated July 2008 (RFP); and

WHEREAS, the Contractor submitted a proposal (Proposal) and has been selected by the EMS Agency to provide Emergency Ground Ambulance Services in the EOA as described in the RFP and Proposal attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, Contractor represents that it is highly qualified to provide said services according to the terms and conditions herein stated; and

WHEREAS, in the judgment of the EMS Agency, it is necessary and desirable to retain the services of Contractor for the performance of this Agreement; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

DEFINITIONS

For the purpose of this Agreement, the following terms shall have the meaning given herein.

"Advanced Life Support" or "ALS" means those special services designed to provide definitive prehospital Emergency medical care as defined in Health and Safety Code section 1797.52.

"Advanced Life Support First Responder" means an ALS First Responder provider that is authorized by the EMS Agency to provide ALS first response services and is staffed by at least one EMT-P and equipped with EMS Agency-approved supplies and equipment.

"Advanced Life Support Ambulance" or "ALS Unit" means an Ambulance especially equipped to provide Advanced Life Support services and staffed by at least one EMT-1 and one EMT-P.

"ALS Resource" means an ALS Ambulance, a fire ALS First Responder (engine) or a Quick Response Vehicle (QRV) that is specifically authorized to respond to medical emergencies. An ALS Resource must be staffed by a minimum of one EMT-P and have all the

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equipment and supplies required by the EMS Agency. (Note: See “Advanced Life Support Ambulance” definition. ALS ambulance staffing requirements exceed ALS First Responder and QRV requirements.)

“Ambulance” or “Ambulance Unit” means any vehicle specially constructed, modified or equipped and used for transporting sick, injured, infirmed or otherwise incapacitated persons.

“Ambulance Service” means the furnishing, operating, conducting, maintaining, advertising, or otherwise engaging in or professing to be engaged in the transportation of patients by Ambulance. Taken in context, it also means the person or entity so engaged or professing to be so engaged.

“Average Response Time” means a Response Time calculation method in which all cumulative elapsed times are divided by the number of incidents to determine an average.

“Authorized Registered Nurse” means a registered nurse who is authorized to provide prehospital Advanced Life Support or give medical direction to Advanced Life Support personnel from a base hospital under direction of a base hospital physician.

“Basic Life Support (BLS)” means special services designed to provide definitive prehospital Emergency medical care as defined in Health and Safety Code section 1797.60.

“Basic Life Support Unit (BLS Unit)” or “BLS Ambulance” means an Ambulance, as defined herein, staffed and equipped, at a minimum, to provide BLS services.

“Coastal Valleys EMS Agency” or “EMS Agency” means the local EMS Agency that was established by the Sonoma County, Mendocino County and Napa County Board of Supervisors to, among other responsibilities, contract for Ambulance Service that will provide coverage for the county.

“Code-3 Call” means any request for service for a perceived or actual life threatening condition, as determined by dispatch personnel, in accordance with EMS Agency policy and pre-established dispatch protocols, requiring immediate dispatch with the use of lights and sirens.

“Code-2 Call” means an immediate response without lights and siren for a dispatched request.

“Contract Oversight Committee” means a committee established by the EMS Agency to act in an advisory capacity regarding matters related to the Agreement, e.g. performance compliance.

“Critical Care Transport (CCT)” means the provision of Emergency Ambulance Services utilizing a registered nurse, physician, physician assistant or specially trained Paramedic as the attendant on such vehicle providing medical care at a level that exceeds the basic Paramedic scope of practice as defined in State law and regulations. For purposes of this Agreement, CCT shall include CCT-P.

“Dispatch Time” means the common unit of measurement from receipt of a call until a unit has been selected and notified it has an assignment.

“Emergency” means a condition or situation in which an individual has a need for immediate medical attention, or where the potential for such need is perceived by Emergency medical personnel or a public safety agency. (Health and Safety Code Division 2.5, Chapter 2,

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Section 1797.70). Scheduled BLS Ambulance Services are not included as part of this Agreement.

“EMS Agency” means the Coastal Valleys EMS Agency, the designated local EMS Agency.

“EMS Aircraft” means any aircraft utilized for the purpose of prehospital response and Emergency medical transportation.

“EMD Triage Requirement” means the determination of the acuity and level of response to any incident through an approved EMD process.

“Emergency Ground Ambulance Service” means services requested by any source including the 9-1-1 telephone system and through any seven-digit phone number for immediate response ground ambulance service as outlined in this Agreement including the attached RFP.

“Emergency Call” means a real or self-perceived event where the EMS system is accessed by the 9-1-1 Emergency access number, or through any other method (e.g., seven digit telephone number or two-way radio transmission). or an interfacility transfer where the patient’s health or well-being could be compromised if the patient is held at the originating facility.

“Emergency Medical Dispatch System (EMD)” means the process using personnel trained to state and national standards on EMD techniques including call screening, call and resource prioritization and pre-arrival instruction.

“Emergency Medical System (EMS)” means the full spectrum of prehospital care and transportation (including interfacility transports), encompassing bystander action (e.g. CPR), priority dispatch and pre-arrival instructions, first response and rescue service, Ambulance Services, and medical control. Scheduled BLS Ambulance Services are not included as part of this Agreement.

“EMS System” means a specially organized arrangement which provides for the personnel, facilities, and equipment for the effective and coordinated delivery in an EMS area of medical care services under Emergency conditions. (Health and Safety Code Division 2.5, Chapter 2, Section 1797.78)

“Emergency Medical Technician - I - or EMT – I” means an individual trained in all facets of BLS according to standards prescribed by the California Code of Regulations and who has a valid certificate issued pursuant to this part. This definition shall include, but not be limited to, EMT-I (FS) and EMT-I-A. (Health and Safety Code Division 2.5, Chapter 2, Section 1797.80)

“Emergency Medical Technician - Paramedic - or EMT-P” means an individual whose scope of practice to provide Advanced Life Support is according to the California Code of Regulations and whom has a valid license issued pursuant to California Health and Safety Code. (Health and Safety Code Division 2.5, Chapter 2, Section 1797.84)

“Exclusive Operating Area (EOA)” means the Sonoma County EOA #1 which is a single EOA servicing a portion of the unincorporated and incorporated areas in Sonoma County as detailed in maps attached to this Agreement.

“First Responder” means an agency with equipment and staff (e.g. fire department, police or non-transporting Ambulance Unit) with personnel capable of providing appropriate First Responder prehospital care.

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"Implementation Date" means when the Contractor shall begin to provide the Emergency Ground Ambulance Services in accordance with this Agreement and the RFP, at 12:01 a.m. on July 1, 2009.

"Initial Coverage Plan" means the System Status Plan developed by Contractor and approved by the EMS Agency for the first three months of this Agreement.

"Joint Ventures" means two or more corporations or entities that have formed a temporary union for this Agreement.

"Level "0" means no Ambulance is available to respond to a call.

"Liquidated Damages" means amounts agreed to by the parties in the Agreement to be applied where actual damages cannot be ascertained with certainty in advance.

"MICN" or "Mobile Intensive Care Nurse" means a registered nurse who is authorized to provide prehospital Advanced Life Support or to give medical direction to Advanced Life Support personnel from a base hospital under direction of a base hospital physician.

"Multi-Casualty Incident (MCI)" means any event has taken place that results in more victims than are normally handled by the system. The event takes place within a discrete location and does not involve the entire community. It is expected that the number of victims would range from 6 to 50 and that the system would be stressed, including delays in treatment of patients with relatively minor injuries or illnesses.

"Medical Base Hospital" means the source of direct medical communications with and supervision of the immediate field Emergency care performance by EMT-1s or EMT-Paramedics.

"Medical Director" means the EMS Agency Medical Director, contracted to oversee the medical control and quality assurance programs of the EMS System.

"Medical Priority Dispatch System ©" means the EMD system that has been approved for use in Sonoma County.

"Medical Protocol" means written standards for patient medical assessment and management.

"Mutual Aid" shall refer to: 1) responses into the EOA from a ground transport provider outside the EOA for the purpose of assisting the Contractor with the provision of Emergency Ground Ambulance Services; 2) responses by the Contractor to service areas outside the EOA for the purpose of assisting the ground transport provider in an adjacent service area.

"On-Scene" means the moment when a unit is physically at or within one hundred (100) feet of the scene. In situations where the unit is responded to a location other than the scene (e.g., staging area for hazardous materials/violent crime incidents, non-secured scenes, multi-unit building complexes), arrival On Scene shall be the time the unit arrives at the designated staging location or within one hundred (100) feet of it.

"Paramedic" means an individual trained and licensed to perform advanced life-support (ALS) procedures under the direction of a physician. Also known as an EMT-P.

"Paramedic Cycling Response Team" means a specialized response team comprised of licensed and locally accredited Paramedic personnel utilizing bicycles equipped with select ALS equipment as a method of responding to a request for service at a Special Event.

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“Paramedic Unit” means an Ambulance staffed and equipped to provide Advanced Life Support at the scene of a medical Emergency and during transport in an Ambulance. The minimum standard for a Paramedic unit in Sonoma County shall be one (1) EMT-P and one (1) EMT-1.

“Peak-Load Staffing” means the design of shift schedules and staffing plans so that coverage by crews matches the System Status Plan’s requirements. (NOTE: peak-load demand will trigger Peak-Load Staffing coverage.)

“Post” means a designated location for Ambulance placement within the Systems Status Plan (SSP). Depending upon its frequency and type of use, a post may be a facility with sleeping quarters or day rooms for crews, or simply a street-corner or parking lot location to which units are sometimes deployed.

“Priority Dispatching” means a structured method of prioritizing requests for Ambulance and First Responder services, based upon highly structured telephone protocols and dispatch algorithms. Its primary purpose is to safely allocate available resources among competing demands for service.

“Public Safety Answering Point (PSAP)” means a government operated facility that receives Emergency Calls for assistance through the E-9-1-1 system or over private telephone lines.

“Quick Response Vehicle (QRV)” means a vehicle that has at the minimum, one individual trained at the Paramedic level or higher and equipment to provide ALS service.

“REDCOM” means the Redwood Empire Dispatch Communication Authority which is a joint powers authority consolidated fire and EMS dispatch entity. REDCOM is a secondary PSAP and is the dispatch center for the majority of the fire departments, EMS Aircraft and Emergency Ground Ambulance providers in Sonoma County. The exceptions are the cities of Cloverdale (fire and Ambulance), Petaluma (fire and Ambulance) and Rohnert Park (fire).

“Response Time” means the time measured from the time of initial alert of the appropriate responding resource(s) to the time that such resource arrives on scene with a fully functional and staffed ALS Resource.

“Revenue” means the increases to equity from any source. Ambulance sales are usually reported as gross (billed) Revenue amounts or in net terms that reflect adjustments for write-offs.

“Scheduled BLS Call” means a request for a basic life support level ambulance transport that is scheduled for pick up at least 30 minutes after the time of the request where no detriment to the patient will occur as a result of the call being scheduled.

“Special Events” means periodic events such as parades, concerts, festivals, races and gatherings which attract, either by direct participation or as spectators, a large gathering of people.

“Specialty Medical Transports” means those transports for special services provided by specialized teams including neonatal, pediatric ICU, air medical, interfacility CCT, etc.

“Statusing” means the posting or movement of Ambulances to improve Response Time based on the conditions at that time of the day.

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“Subcontractors” means any person, entity or organization, to which Contractor, the EMS Agency or County has delegated any of its obligations hereunder.

“System Standard of Care” means the combined compilation of all priority-dispatching protocols, pre-arrival instruction protocols, Medical Protocols, protocols for selecting destination hospitals, standards for certification of pre-hospital personnel, as well as standards governing requirements for on-board medical equipment and supplies, and licensing of Ambulance Services and First Responder agencies. The System Standard of Care simultaneously serves as both a regulatory and contractual standard.

“System Status Management” means a management tool to define the Unit Hours of production time, the positioning and allocation by hour and day of week to best meet demand.

“System Status Plan (SSP)” means a planned protocol or algorithm governing the deployment and event-driven redeployment of system resources, both geographically and by time of day/day of week. Every system has a System Status Plan.

“Transport Unit” or “Transport Vehicle” means an ALS Ambulance that is staffed, equipped and used for transporting patients.

“Unit Hour” means one hour of service by a fully equipped and staffed Ambulance assigned to a call or available for dispatch.

“Unit Hour Utilization Ratio” is calculated by dividing the number of transports (not calls) initiated during a given period of time by the number of Unit Hours produced during the same time period. Units involved in long-distance transfer work, Special Event coverage and certain other classes of activity are excluded from these calculations.

AGREEMENT

I. Scope of Services.

1.1 General Responsibilities and Duties of Contractor.

A. Personnel, Equipment and Materials Required. Beginning on the Implementation Date and throughout the term of this Agreement, Contractor shall provide the personnel, equipment and materials necessary to provide Emergency Ground Ambulance Services and other services as described herein to persons in need thereof within the EOA. With regard to Contractor’s responsibilities set forth in this Agreement, the terms “provide”, “operate”, or “furnish” shall mean to perform, make available or utilize either directly through Contractor’s personnel and resources or through sub-contracts or other agreements which have been approved by the EMS Agency, the services, personnel, materials or supplies required herein. Contractor shall comply with the Sonoma County Emergency Medical Response Ordinance, EMS Plan and all applicable EMS Agency policies, procedures, protocols and directives issued by the Medical Director in accordance with law. Contractor shall comply with all applicable federal, state and local laws and regulations, including but not limited to the requirements of the United States Department of Health and Human Services, Health Care Financing Administration, California Highway Patrol, California Department of Health Services, California EMS Authority and the County of Sonoma. Contractor’s obligations are set forth in detail in the provisions of this Agreement and accompanying attachments.

B. In-Service Training Required. Contractor shall provide or contract for employee in-service training, as set forth in Contractor’s Proposal, which will allow field personnel to meet and maintain state and local certification, accreditation, and licensure standards. Such in-service programs shall include training on local EMS Agency policies and

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procedures, field care audits, grief support training, peer support, critical incident stress management, driver training, multi-casualty/disaster training, and training in radiologic/nuclear/biological/chemical/explosive weapons.

C. EMS System Interaction. Contractor shall participate regularly in all aspects of development of the local EMS System including, but not limited to the following: (1) Expanded scope of practice treatment and equipment programs; (2) First Responder, EMT-1, Paramedic, MICN, Base Hospital physician and dispatcher education and training, and ride-along programs; (3) Disaster exercises and drills; and (4) Continuing education programs.

D. Equipment Maintenance. Contractor shall provide or contract for equipment maintenance. Contractor shall be responsible for installing and maintaining all radio equipment on the appropriate frequencies as required to comply with the terms of this Agreement.

E. Materials and Supplies. Contractor shall furnish all fuel, lubricants, repairs, initial supply inventory and all supplies (except those replaced by hospitals). Contractor shall maintain sufficient supplies and equipment, excluding fuel, lubricants and repair items, to sustain local operations for a minimum of twenty-one (21) days at its main operation location.

F. Policies and Working Relations. Contractor shall develop, negotiate, and maintain personnel policies, patient care policies, equipment rotation program, hospital relationships where appropriate, and maintain good working relations with other health care provider organizations and personnel.

G. First Responder Relations. Contractor shall maintain good working relationships with First Responder agencies and personnel.

H. Posting Locations. Contractor shall maintain Ambulance post locations pursuant to their System Status Plan (SSP) on file with the EMS Agency.

I. Law Enforcement Relations. Contractor shall maintain good working relationships with area law enforcement agencies.

J. Professional Conduct of Personnel. Contractor shall ensure courteous and professional appearance and conduct of its personnel at all times.

K. Professional Equipment and Facilities. Contractor shall maintain neat, clean, and professional appearance of equipment and facilities.

L. Mutual Aid Agreements. Contractor shall develop mutually beneficial support agreements with neighboring Ambulance Services, subject to approval by EMS Agency.

M. Reputation. Contractor shall promote and maintain a good reputation through participation in published research and industry affairs, prompt response and follow-up to inquiries and complaints.

N. Training. Contractor shall provide, upon request, basic First Responder in-service training, and Paramedic-assist training to First Responder personnel.

O. Quality Improvement. Contractor shall participate actively in the EMS Agency's Quality Improvement audit process, provide special training and support to personnel found in need of special assistance and/or remediation in specific skill or knowledge areas, and provide additional clinical leadership by maintaining a current and extensive knowledge of developments in equipment and procedures throughout the industry and by regularly reporting such developments to the EMS Agency. Contractor also shall prepare a continuous quality improvement (CQI) plan meeting the standards of the quality improvement in the EMS/Prehospital care industry. The plan shall meet all the requirements set forth in the RFP, Section 6.4(g)(6).

P. Permits and Certification. Contractor shall maintain all appropriate and required state and local vehicle permits.

Q. Implementation of EMS Agency Policies. Contractor shall cause EMS Agency policies to be properly implemented. Contractor shall ensure that knowledge gained during the medical audit process is routinely translated into improved field performance by way of in-service training, amendments to the employee handbook, newsletters, new employee orientation, etc. Contractor shall also respond to all quality improvement and incident reports in accordance with established EMS Agency's policies.

R. Financial implications of Operations. When requested, Contractor shall advise the EMS Agency concerning financial implications of operational changes under consideration.

S. Data, Billing and Collection. Contractor shall operate a data processing, billing collection and reporting system as set forth herein.

T. Paramedic Preceptors. In coordination with the Base Hospital Medical Directors, Paramedic training programs and EMS Agency, Contractor shall provide Paramedic preceptors for prehospital training programs.

U. Reports to EMS Agency. Contractor shall provide data, reports and records to the EMS Agency as set forth herein.

1.2 Medical Control.

A. Medical Control Authority. Contractor acknowledges that the Medical Director has the authority to develop overall plans, policies, and medical standards to assure that effective levels of Ambulance and prehospital EMS care are maintained within the county and that the Medical Director has the authority for establishing the required drug inventories and Medical Protocols and that Contractor, its employees, and all personnel providing services under sub-contract(s) or agreements are subject to said plan, policies, standards and protocols.

B. Adherence to Medical Control Standards. The EMS Agency has an established system of medical control through the EMS Medical Director of the EMS System. Contractor shall adhere to the standards of medical control established by the EMS Agency.

C. Compliance with Laws and Policies. Contractor shall comply with the Sonoma County Emergency Medical Response Ordinance, EMS Policies and Protocol Manual and other directives, e.g. special memos, which may be issued under the Medical Director's authority.

D. Contractor's Medical Director. Contractor shall provide a physician Medical Director who will oversee and coordinate the Contractor's clinical performance. The Contractor's Medical Director shall be a physician Board certified in Emergency medicine or equivalent Emergency medicine experience and approved by the EMS Agency. The Contractor's Medical Director shall work with the Medical Director and the physicians of the EMS System to ensure compliance by the Contractor and Subcontractors with the clinical standards established for the Sonoma County EMS System.

1.3 Emergency Ground Ambulance Services.

A. Contractor shall be responsible for providing one hundred percent (100%), twenty-four (24) hour per day coverage for all requests for Emergency Ground Ambulance Services for the term of this Agreement within the EOA. Provision of Emergency Ground Ambulance Service includes ALS interfacility transports within the EOA. For all requests for Emergency Ground Ambulance Services within the EOA, Contractor shall respond with an ALS Resource Unit.

B. All of the following transports originating in the EOA, except those BLS, CCT and Specialty Transport exclusions set forth in paragraph 1.3.D below, shall be referred to Contractor. Contractor shall provide all Ambulance response and ground transports in response to the following:

1. All 9-1-1/PSAP requests;
2. All requests for immediate Ambulance Service transmitted through an authorized 9-1-1/PSAP;
3. All requests for Emergency Ground Ambulance Services made directly to Contractor or another Ambulance or public safety dispatch center through a seven-digit telephone call request without going through an authorized 9-1-1/PSAP;
4. Any other request for Emergency Ground Ambulance Services as defined by the EMS Agency's policies and procedures; and
5. Standby for Special Events requiring Emergency Ground Ambulance Services.

C. ALS Interfacility Transports. Provision of Emergency Ground Ambulance Service includes ALS interfacility transports within the EOA. If Contractor is unable to respond to a request for an ALS interfacility transport within fifteen (15) minutes of the requested pick-up time, Contractor shall refer the request to an approved Mutual Aid provider. Contractor shall enter into at least one contract with a Mutual Aid ALS interfacility transfer provider, subject to the approval of the EMS Agency. Contractor understands and agrees that the EMS Agency may assess Liquidated Damages to Contractor for any late response to a request for an ALS interfacility transfer consistent with the late response Liquidated Damages provisions set forth herein, including those referred to a Mutual Aid provider.

D. BLS/CCT/Specialty Transports. Scheduled BLS Calls, CCTs, air medical services (helicopter), bariatric transports, neonatal transports and pediatric transports are not included in the scope of exclusivity covered by this Agreement, but Contractor may provide those services on a non-exclusive basis. Provision of such services shall be subject to all applicable Response Time performance standards and associated Liquidated Damages, if applicable, as set forth herein.

E. Wheel Chair Van and Litter Van Service.

Contractor may provide wheel chair van and litter service (as those terms are defined in Title 13 of the California Code of Regulations) within the EOA for those calls which do not require Ambulance transportation.

F. Contractor shall provide standby for Special Events

coverage. Contractor shall make every attempt to negotiate a fair and reasonable charge for such services. If the Contractor is unable to commit to providing standby Emergency Ground Ambulance Services at a Special Event, Contractor shall refer the standby request to an approved Mutual Aid provider. Contractor shall be responsible for ensuring standby Emergency Ground Ambulance Services are provided at Special Events. In the event that Contractor is unable to provide such services either by itself or through an approved Mutual Aid provider due to unforeseen or extenuating circumstances, EMS Agency reserves the right to authorize another entity to provide such services.

G. Contractor shall provide a specialized Paramedic

Cycling Response Team to provide Emergency medical care for incidents and Special Events requiring such services.

H. Contractor shall participate in and provide personnel

and equipment to perform demonstrations at health fairs and other related events to promote EMS awareness and education.

I. Contractor shall provide first aid and cardiopulmonary

resuscitation training to community organizations upon request. Contractor may charge a fee for such training in an amount sufficient to cover the cost of materials and personnel required for the training.

1.4 Response Time Standards

A. The overall Response Time performance requirement

for services under this Agreement is intended to ensure that Contractor responds to and arrives at each incident with an appropriate ALS Resource in accordance with established standards. The standards set forth herein establish the level of Response Time performance required by Contractor for calls within the EOA. During the term of this Agreement, Response Time standards may be modified at any time by the EMS Agency, with input from the Contract Oversight Committee. These modifications shall be consistent with the modifications in EMS operational and medical standards which are developed by EMS Agency. Contractor shall be notified within sixty (60) days of the effective date of the modification and Contractor shall define the contract impact within thirty (30) days of implementation.

B. Contractor shall respond to all requests for

Emergency Ground Ambulance Services with an ALS Resource. The Response Time clock for an ALS Resource Unit will not be stopped until the arrival of an ALS Ambulance except as may otherwise be provided for herein.

C. Response Time performance calculation.

Response Times are measured and calculated on a monthly basis for each response compliance zone within each of the six individual EOA zones. The six zones are set forth in the EOA map attached hereto as Exhibit A. Each of the six zones has been identified as either urban, semi-rural and rural areas based on population densities. The urban, semi-rural and rural area designations in each of the six zones are also depicted in the EOA map attached hereto as Exhibit A. Response Times shall be calculated from the time the Contractor has been alerted to the incident until the time the Contractor arrives on the scene with a fully functional and staffed ALS Resource. All Response Times are measured in minutes and

seconds. Contractor shall document all Emergency Ground Ambulance Services and times as required by EMS Agency procedures.

D. The Response Time standards as measured for each response compliance zone within each of the six zones in the EOA shall be as follows:

1. The Response Time for the ALS Resource on calls prioritized as Code-3 responses shall be as follows:

Urban: 90 percent of all calls in 6:59 minutes or less and no single calls exceeding 11:59 minutes.

Semi-Rural: 90 percent of all calls in 13:59 minutes or less and no calls exceeding 17:59 minutes.

Rural: 90 percent of all calls in 28:59 minutes or less and no calls exceeding 32:59 minutes.

2. The Response Time for the ALS Resource on calls prioritized as Code-2 Calls shall be as follows:

Urban: 90 percent of all calls in 11:59 minutes or less and no single calls exceeding 15:59 minutes.

Semi-Rural: 90 percent of all calls in 17:59 minutes or less and no calls exceeding 21:59 minutes.

Rural: 90 percent of all calls in 32:59 minutes or less and no calls exceeding 37:59 minutes.

3. In the event Contractor enters into an EMS Agency approved agreement with an ALS First Responder pursuant to Section 1.15.C herein or responds with a Quick Response Vehicle (QRV), the ALS Resource Response Time standards set forth above shall be stopped upon the arrival of such an approved ALS first response vehicle or QRV. At that point, the following Response Time requirements for Transport Units shall apply.

a. The Response Time for Transport Units responding to calls prioritized as Code-3 responses shall be as follows:

Urban: 90 percent of all calls in 10:59 minutes or less.

Note: At the time of the Effective Date of this Agreement there are no approved ALS First Responder programs in either the Semi-Rural or Rural zones. Should such program(s) be approved by EMS Agency at a future date, EMS Agency will establish appropriate response time standards with input from the Contract Oversight Committee and Contractor.

b. The Response Time for Transport Units responding to calls prioritized as Code-2 responses shall be as follows:

Urban: 90 percent of all calls in 15:59 minutes.

Note: At the time of the Effective Date of this Agreement there are no ALS First Responder programs approved in either the Semi-Rural or Rural zones. Should such program(s) be approved by EMS Agency at a future date, EMS Agency will establish appropriate response time standards with input from the Contract Oversight Committee and Contractor.

4. Contractor shall respond to all requests for an interfacility ALS transfer (non CCT/specialty transport) within 15:00 minutes of the requested pick-up time. If no pick-up time is specified, the response standard shall be within 15:00 minutes of the time the request was received by Contractor. If Contractor is unable to respond within the required time, Contractor shall refer such call to an approved Mutual Aid Ambulance provider.

5. Although Contractor is not required to provide BLS interfacility, CCT or other specialty care transport services, should Contractor elect to provide such services, Contractor shall respond to all requests for such services within 15:00 minutes of the requested pick-up time. If no pick-up time is specified, the response standard shall be within 15:00 minutes of the time the request was received by Contractor. If Contractor is unable to respond within the required time, Contractor shall refer such call to an approved Mutual Aid ambulance provider.

6. Equipment failure, dispatcher error, or lack of an ALS resource and/or a transport Ambulance shall not furnish grounds for release from late response Liquidated Damages or general response-time standards. If Contractor believes that any run or group of runs should be exempt from Response Time standards due to unusual circumstances beyond Contractor's reasonable control, Contractor may request that these runs be excluded from Response Time performance calculations and late response Liquidated Damages. If the EMS Agency concurs that the circumstances are reasonable to allow such exemption, the EMS Agency may allow such exemptions in calculating overall Response Time performance and/or in assessing late-run Liquidated Damages.

7. Contractor shall document on a monthly basis and report to EMS Agency each instance wherein a presumptively defined call resulted in a Response Time in excess of the 90% standard for urban, semi-rural and rural areas, and shall supply the reason for such delayed Response Time, including a summary of steps taken by the Contractor to eliminate the reason(s) for Contractor's non-compliance with the Response Time standard.

8. EMS Agency may alter response zones from time to time based on Ambulance industry standards as population, road access and other relevant conditions change. EMS Agency shall give Contractor notice and opportunity to be heard before amending response zones. EMS Agency may request Contractor alter its SSP to respond to population trends. This may require Contractor adjusting its SSP to improve back-up and move-up-and-cover Ambulances. Contractor shall negotiate in good faith with EMS Agency to revise its SSP to improve performance as determined by EMS Agency in

consultation with the Contract Oversight Committee. Contractor also shall negotiate in good faith to revise the terms of this Agreement if necessary to accommodate these changes.

9. EMS Agency may alter performance standards during the term of this Agreement consistent with the modifications in EMS operational and medical standards developed by the EMS Agency. EMS Agency shall notify Contractor at least sixty (60) days in advance of the effective date of the modification. Contractor shall define the contract impact within thirty (30) days of initiation. Contractor shall negotiate in good faith to revise the terms of this Agreement if necessary to accommodate these changes.

10. Monthly Performance Reports. The EMS Agency shall review monthly reports regarding Contractor's performance under the terms and conditions of this Agreement and shall assess Liquidated Damages to be paid by Contractor as specified herein in Section 6. Such reports shall include, but are not limited to, a summary report of all Response Time exceptions requested by Contractor. The reports shall provide a detailed explanation of all Response Time exception requests which Contractor chooses to submit for consideration. Contractor shall have a full opportunity to present any exculpatory or mitigating evidence prior to EMS Agency's determination concerning the assessment of any Liquidated Damages as set forth in Section 6 of this Agreement.

1.5 First Responder Coordination.

A. To the extent allowable under Federal and State law, Contractor shall re-supply First Responder units at no cost to the First Responder agencies with disposable medical supplies utilized in direct patient care on a one-for-one basis for emergency medical responses within the EOA.

B. Contractor shall implement and maintain a First Responder orientation program designed to acquaint all Sonoma County public safety and First Responder agencies with Contractor's equipment and response system.

C. For all equipment left with a patient, Contractor shall provide appropriate information to enable all equipment to be returned within 24 hours. In addition, Contractor shall establish a mechanism to ensure that all First Responder staff who accompanies Contractor to the hospital will be returned to their station.

D. Contractor shall respond to hazardous materials incidents, fire, and law enforcement standbys upon request by any public safety agency or dispatch center within Sonoma County.

E. Contractor shall provide a First Responder training program as set forth in RFP Section 2.20 and Proposal attached hereto as Exhibit B. Contractor may charge a fee for such services at a level to recover its actual cost of providing such services.

F. Contractor's internal continuing education programs shall be open to First Responder personnel. Contractor's regular calendar of training will be sent to all interested agencies.

G. Contractor shall assist EMS Agency in evaluating and implementing expanded scope programs for Paramedics, EMT-Is and First Responder personnel.

H. Contractor may subcontract with EMS Agency approved ALS First Responders as set forth in RFP Section 2.8E.

1.6 Data Collection and Evaluation Requirements

Contractor shall maintain data collection and reporting systems as set forth in RFP Section 2.16 and the Proposal attached hereto as Exhibit B. The Data Collection and Evaluation Plan shall meet the following minimum standards:

A. Contractor shall utilize an electronic patient care report (E-PCR) system subject to approval by the EMS Agency. The E-PCR system shall be used for patient care documentation, data collection and reporting. The E-PCR system shall be capable of performing the following tasks: (a) Producing an electronically transferable and printable patient care record that EMS Agency staff can access via the Internet; (b) Generating and gathering data as specified by EMS Agency utilizing a NEMSIS "Gold" standard; and (c) Data elements in the E-PCR system shall be available to EMS Agency staff via the Internet for the purpose of quality improvement, compliance monitoring and systems analysis. Contractor shall obtain EMS Agency approval prior to making any modification to its E-PCR program or vendor during the term of this Agreement. EMS Agency and Contractor shall negotiate in good faith any necessary changes to data fields during the term of this Agreement.

B. Contractor shall develop electronic databases and track individual patients from dispatch through billing and collection phases. Data collection and reporting methods shall also allow for data aggregation and cross tabbing in a format approved by EMS Agency. Data collection requirements shall be completed and submitted electronically on a schedule and in a format approved by EMS Agency.

C. For each patient contacted, Contractor's personnel shall complete an approved patient report form and Contractor shall routinely furnish a copy of such completed form to EMS Agency according to EMS Agency policy. In addition, Contractor shall produce such forms within three (3) business days of EMS Agency's request.

D. According to EMS Agency policy, Contractor shall submit data, including CAD data for each response and patient care data as specified in Exhibit D. In addition, Contractor shall produce such data within thirty (30) days of EMS Agency's request.

E. Contractor shall prepare response-time summaries by Response Time requirement and zone, including a list of all approved response-time exceptions. These reports shall include compliance with response-time standards in a format approved by the EMS Agency. The summaries shall sort by city and other geographic zones, incidents of breakdowns, listing of calls referred to other agencies or BLS Units, "Level-0" incidents, Mutual Aid-Response Times, call downgrades, call upgrades, and other data used to determine contract compliance. These summaries shall be produced to EMS Agency and Contract Oversight Committee at least monthly. In addition to hard copies of these summaries, Contractor shall submit these summaries to the EMS Agency in a compatible electronic format as approved by the EMS Agency.

G. Contractor shall submit, on an annual basis, records pertaining to the Agreement based on generally accepted accounting principles as defined by the American Institute of Certified Public Accountants. Records shall be for the previous calendar year and shall be provided within ninety (90) days after the end of each calendar year of this Agreement.

H. In addition to the aforementioned reports and data, Contractor shall maintain records and data pertaining to its services as listed below. Contractor shall make available for review and inspection, upon request of the EMS Agency, such reports and data as follows: (1) sales by pay source; (2) services provided by category (e.g., ALS, BLS and mileage) by financial classes and in total monthly for the preceding month; (3) sales by date of service; (4) accounts receivable aging report by payer source; (5) payment and

adjustment journal; (6) collections by payer source; (7) summary of billings and collections (quarterly and annually); and (8) annual financial statements, specific to operations in Sonoma County, ninety (90) days following the close of fiscal year, including the following: fixed asset schedules, profit and loss statements and aged accounts receivables.

I. Contractor shall insure its data remains secure and is not subject to tampering. Contractor shall not seek economic gain from confidential data received from the 9-1-1/PSAP in any manner unauthorized by law.

1.8 Conditions of RFP and Contractor's Proposal.

Except as those terms and conditions otherwise provided for herein, all terms and conditions stated in the EMS Agency's RFP dated July 2008 and in Contractor's Proposal, dated _____, shall form an integral part of this Agreement as though they were fully set forth herein. In the event of any conflict between the terms and conditions set forth in EMS Agency's RFP and Contractor's Proposal, or both, the terms and conditions stated in this Agreement shall prevail. The RFP and Proposal are attached hereto as Exhibit B.

1.9 Personnel

A. Personnel Required. Contractor shall provide the personnel necessary to provide Emergency Ground Ambulance Services and other services as described herein within the EOA.

B. Key Personnel. Contractor understands that the decision to award this Agreement is based upon the qualifications of the Contractor, and upon the qualifications of key personnel presented in Contractor's Proposal. Contractor shall furnish the personnel identified in Contractor's Proposal, and throughout the term of the Agreement, Contractor shall continue to furnish those same personnel or replacement personnel with equal or superior qualifications.

C. Supervisory Personnel. The Contractor shall establish a supervisory system meeting the standards set forth by the Contractor in its Proposal and approved by the EMS Agency. Supervisory personnel shall be in sufficient numbers and competencies to provide field evaluation and oversight of Contractor's personnel in accordance with Contractor's quality improvement plan and EMS policies and procedures.

D. Field Evaluation. Contractor shall provide Field Training Officers to train and evaluate employees as set forth in its Proposal and in accordance with EMS policies and procedures.

E. Emergency Vehicle Operations Course. Contractor shall ensure that all of its field personnel shall complete an Emergency Vehicle Operations Course. The EMS Agency shall give prior approval to the curriculum of the Emergency Vehicle Operations Course. This course requirement shall apply to all field employees prior to receiving authorization to operate an Emergency vehicle as a driver in the County of Sonoma. All field employees employed by Contractor upon contract award date shall have one year from the Implementation Date of this Agreement to complete the Emergency Vehicle Operations Course. All field employees hired after that date shall be required to obtain training prior to driver authorization. The EMS Agency may authorize a waiver of this requirement upon request from Contractor.

F. Certification and Licensure of Personnel. Contractor shall ensure that all Contractor's employees functioning as Emergency medical technicians and Paramedics are appropriately certified, accredited and licensed at both the State and local levels.

G. Contractor shall maintain, and make available to the EMS Agency upon request, records and data pertaining to the certifications, licenses, and other applicable credentials of its employees and subcontracted personnel used to provide services under this Agreement.

H. Wage and Benefits. Contractor shall, at a minimum, adhere to the wage and benefit package in accordance with the requirements in the attached RFP and Proposal.

I. Employee Handbook. Contractor shall develop and maintain an Employee's Handbook describing the personnel policies and procedures utilized by Contractor in its operations. A copy of the current Employee Handbook shall be made available to the EMS Agency upon request.

J. Administrative Representative. Contractor shall provide an administrative representative to the County fire and police chief organizations whenever requested. Contractor shall also routinely participate in the EMS committees and EMS training organizations as invited.

K. EMS Incident Forms. Contractor shall furnish to all employees approved "EMS Incident Report Forms" and shall routinely furnish a copy of a completed form to the EMS Agency in accordance with EMS Agency policies.

L. Equipment Failure Reports. Contractor shall furnish its employees with approved "Equipment Failure Report Forms" and shall use such forms in conjunction with Contractor's maintenance program and shall furnish copies of such completed forms to the EMS Agency upon request.

M. Competency and Conduct. All employees, Subcontractors, or other persons used by Contractor in the performance of work under this Agreement shall be competent and holders of appropriate permits, licenses and certificates in their respective trades and professions. The EMS Agency may request and Contractor shall take action in accordance with its personnel policies and procedures to effect the removal of or take appropriate disciplinary remedial action against any person used by the Contractor who misconducts themselves or is chronically incompetent or negligent in the due and proper performance of their duties. Such persons shall not be reassigned by the Contractor for provision of services under this Agreement without the written consent of the EMS Agency.

N. Knowledge of EMS. The Contractor shall assure that all pre-hospital care personnel, including EMT-Is and EMT-Ps provided under this Agreement shall be knowledgeable and cooperative in the provision of Emergency Ground Ambulance Services or other services required under this Agreement.

O. Infectious Disease Exposure. Contractor shall provide testing and counseling services to all employees exposed to serious infectious diseases at no cost to the employee. Contractor shall ensure that such services and programs pertaining to infectious disease exposures are provided in accordance with the provisions of state and federal law.

P. Employee Assistance Program. Contractor shall provide its employees with an Employee Assistance Program that offers counseling services for mental health and substance abuse.

Q. Occupational Health Services. Contractor shall maintain an in-house program related to occupational health for its employees at no cost to the employee.

R. Immunization and Testing Program. Contractor shall provide an immunization and testing program for its employees as approved by the EMS Agency Medical Director.

S. Injury Prevention and Treatment Program. Contractor shall maintain an injury prevention and treatment program for its employees.

T. Hiring Standards and Practices. Contractor shall maintain an employee hiring standards and practice program.

U. Peer Counseling. The nature of work in EMS produces stress in the care provider from one-time events (e.g., mass casualty incident) and from being continually subjected to moderately stress-producing incidents. Contractor shall have a peer support program to provide one-on-one counseling to personnel for these situations. Additionally Contractor shall participate in the regional Critical Incident Stress Management team.

V. Safety and Risk Management Program. Contractor shall provide a Safety and Risk Management Program that meets the standards set forth in RFP Section 2.22. As it pertains to the above personnel requirements, Contractor shall maintain such services as set forth above; however, Contractor may replace or modify any such services subject to written approval by the EMS Agency.

W. MCI Services. Contractor shall comply with its MCI Services Plan as set forth in RFP Section 6.4.2(g)(8) and Proposal attached hereto in Exhibit B.

1.10 Rights and Responsibilities of Field Personnel

A. Field personnel are certified, licensed and/or accredited pursuant to the Health and Safety Code Section 1797 et seq. A linkage exists between field personnel and the system's physician leadership and medical control. Where issues involving questions of patient care are concerned, there is no "chain of command." Each of the certified personnel working in the system has not only a right, but a legal obligation, to work directly with the system's physician leadership on issues related to patient care.

B. The direct linkage, and personal responsibility, also applies to issues regarding compliance with regulations of vehicles, on-board equipment, and collection and recording of primary data. EMS personnel are prohibited by the laws, rules and regulations which govern the EMS system from operating equipment that is substantially out of compliance with system standards, as well as from falsifying or omitting data from reports (e.g., patient care reports, incident reports, etc.) Field personnel have a professional responsibility with regard to issues related to the delivery of patient care and the accurate reporting of primary data.

C. While this Agreement is a performance contract and while the Contractor is not only allowed but encouraged to employ its own methods and techniques for producing the required performance reliably and efficiently, Contractor is expressly required to use reasonable work schedules, shift assignments, and to provide adequate working conditions. The primary issue is patient care, and the Contractor is expected to utilize management practices which ensure that field personnel working extended shifts, part-time jobs, voluntary overtime or mandatory overtime are not exhausted to an extent which might impair judgment or motor skills.

D. Regularly scheduled work shifts shall not exceed twenty-four (24) hours per shift without approval by EMS Agency. All normally scheduled shifts shall allow at least eight (8) hours of rest between such work shifts. Contractor shall implement wage, benefit and compensation packages in accordance with the requirements in the attached RFP and Proposal. Contractor may modify its wage, benefit and compensation packages with written approval from EMS Agency.

1.11 System Status Plan

A. Contractor shall operate its services to equalize Response Time performance throughout the various jurisdictions of the EOA in accordance with the designated response zone standards.

B. Contractor shall develop a SSP that shall be submitted to the EMS Agency for approval and adhered to by Contractor. Contractor shall identify as part of the plan the proposed Unit Hour of Utilization to provide Emergency Ground Ambulance Services under this Agreement. The maximum Unit Hour of Utilization shall not exceed .50 without approval by the EMS Agency.

C. Contractor shall cooperate with and attend the Contract Oversight Committee meetings with senior management from the franchise zone.

D. Any change to the SSP which reduces the number of Unit Hours below the prescribed minimum number must be reviewed and approved by the EMS Agency at least three (3) calendar days prior to implementation. Approval of any such change is contingent upon Contractor's ability to demonstrate that such change will continue to ensure equalized Response Time performance. Contractor shall submit daily compliance reports to the EMS Agency for a seven (7) day period following any such change.

E. In addition to the aforementioned requirements, Contractor shall submit a copy of its SSP to the EMS Agency on at least an annual basis.

F. During the first three months of operations under this Agreement, Contractor shall adhere to the initial coverage SSP as submitted in its Proposal, or an approved modification of the SSP. Thereafter, at Contractor's discretion, with EMS Agency approval, the SSP may be altered by the Contractor to produce the required Response Time performance with the greatest possible efficiency.

G. The SSP shall specify locations of ALS Resources, Ambulances, post location, and identify the number and location of vehicles to be deployed during each hour of the day, each day of the week for coverage of Code-2 and Code-3 responses.

1.12 Staffing of Ambulance and Response Units

A. Contractor shall provide for staffing each ALS Ambulance with a minimum of one Paramedic and one EMT-1 per unit.

B. Each ALS Resource shall have at least one Paramedic with all the ALS equipment required by the EMS Agency ALS equipment list.

C. All Quick Response Vehicles shall be staffed with a minimum of one Paramedic per unit with all the ALS equipment required by the EMS Agency ALS equipment list.

D. Contractor shall ensure that 100% of all responses to Code-2 and Code-3 Calls, within the EOA, shall be handled by an appropriate ALS Resource as required by this Agreement.

1.13 Vehicles, Equipment and Maintenance

A. Contractor shall provide at least a minimum number of vehicles, which is defined as 133% of the vehicles required at the peak load of the SSP. Each ALS Resource shall be new as of the Effective Date of this Agreement and, as applicable, meet current federal KKK-A-1822C standards and California Code of Regulations, Title 13 standards in effect at the time of original manufacture. Each ALS Resource shall have a standard floor plan approved by the EMS Agency. Each ALS Resource shall be a Type I, II or III model. All vehicles must have current CHP permits.

B. All ALS Resources utilized by Contractor in providing service under this Agreement shall be staffed and equipped in accordance with state law and local EMS Agency policies.

C. The EMS Agency shall assist Contractor in obtaining any special waivers which may be required by law to operate its Quick Response Vehicles.

D. Contractor shall maintain a vehicle replacement program that ensures the replacement of Contractor's ALS Resources when any particular unit's mileage reaches the maximum mileage as set forth in its equipment replacement schedule or when any such ALS Resource has reached six (6) years service life. Contractor shall not use an ALS Resource once its mileage exceeds 200,000 to respond to Emergency Ground Ambulance Service requests.

E. Contractor shall adhere to the preventative maintenance program, equipment replacement schedule, and reporting system subject to approval by the EMS Agency. Contractor shall maintain preventative fleet maintenance records, and adhere to an approved preventative fleet maintenance program for each ALS Resource.

F. Each Transport Vehicle and Ambulance Unit shall have an interior height and configuration to allow for the transportation of multiple patients, defined as a minimum of two stretcher patients per Transport Vehicle/Ambulance Unit.

G. Each ALS Resource shall have markings approved or designed by the EMS Agency to include 911 Emergency number advertising. This will include 9-1-1 advertising on both sides as well as County/ALS markings that have been approved by EMS Agency.

H. Each Transport Vehicle shall meet the Ambulance equipment standards of the State of California and the EMS Agency. All Ambulance equipment, including ALS and BLS equipment and supplies, as required by state law and EMS Agency policies shall be supplied at 133% of peak load requests.

I. Contractor shall provide all restocking of required drugs and other expendable supplies as necessary to provide the services set forth herein.

J. Contractor shall assure that each ALS Resource serving the EOA shall be equipped with Emergency alerting devices and two-way radios capable of communicating on the approved local EMS frequencies. The standard Emergency alerting device set shall be one pager and one tone coded hand-held radio, with at least a 16-channel capability for each unit capable of communicating on the approved EMS communication system frequencies. The radios in the ALS Resource must have VHF and UHF frequencies on the proscribed EMS channels.

K. Each ALS Resource shall be equipped with a cellular telephone or equivalent equipment, and other radio equipment capable of communicating with the EMS base hospital, receiving facilities and the EMS dispatch center in accordance with and as required by local EMS Agency policies and procedures. Any exception to this requirement is subject to approval by the EMS Agency.

L. Contractor shall ensure that each individual employee and supervisor has the capability of carrying alphanumeric pager off-duty for disaster recall or other use.

M. Each ALS Resource shall be equipped with Mobile Data Terminal capabilities and Automatic Vehicle Locators.

N. Contractor shall be responsible for furnishing all maintenance of Contractor's ALS Resources, on-board equipment, and facilities used by Contractor in the performance of services under the terms of this Agreement.

O. Contractor shall not be responsible for routine maintenance of County-owned communication equipment except if repair is necessary due to abuse or neglect.

P. Contractor will assist EMS Agency with implementation and debugging of new EMS equipment, including computerized communications and data systems and software which may be placed in service over the period of this Agreement. It shall be Contractor's responsibility to inspect such equipment for acceptance, cooperate and assist in implementation and debugging, and report to the EMS Agency in a timely manner concerning any problems with such equipment which might reasonably require the EMS Agency's attentions as regards to guarantees, warranties, or payment upon acceptance.

Q. Equipment Replacement Plan. Contractor shall submit to the EMS Agency for its approval a Proposed Equipment Replacement Plan. This policy shall state Contractor's operational assumptions regarding the anticipated safe useful life of equipment items, by category or type, and Contractor's general plan for equipment replacement in accordance with the plan.

R. Right to Required Replacement. Throughout the term of this Agreement and any extension period, EMS Agency may, after an inspection and for cause, require Contractor to replace any equipment at any time after that item's scheduled replacement date, as defined by the terms of Contractor's submitted and accepted Equipment Replacement Plan. However, if through superior maintenance or by other means, Contractor is able to extend the safe useful life of an equipment item beyond its time of scheduled replacement, EMS Agency shall not, except for cause, require replacement of that item. These controls related only to equipment kept in service beyond scheduled replacement date, and are in addition to regulatory requirements affecting equipment standards and inspections imposed by law or EMS policies.

1.14 Disaster, Multi-Casualty and Instant Aid Response

A. Contractor shall develop and implement a plan for the immediate recall of personnel for staffing of additional units in multi-casualty or disaster situations or times of peak overload.

B. To the extent that Contractor may have resources available, Contractor shall respond to requests from neighboring jurisdictions and Ambulance providers for instant aid that require a Code 3 (lights and sirens) response.

C. During a declared state-of-Emergency, locally or in neighboring jurisdictions, the normal course of business may be interrupted from the moment of the state-of-Emergency or multi-casualty situation is made known to Contractor by EMS Agency. Contractor shall then, as provided for in the approved disaster plans and protocols, commit such resources as are necessary and appropriate, given the nature of the disaster. During such periods, Contractor shall be exempted from Response Time performance requirements, including late response Liquidated Damages, until notified by the EMS Agency that disaster assistance may be terminated. At the scene of such disasters, Contractor's personnel shall perform in accordance with local disaster protocols established by that community. When multi-casualty assistance has been terminated, Contractor shall resume normal operations as rapidly as is practical considering exhaustion levels of personnel, need for restocking, etc.

D. During the course of a state-of-Emergency, Contractor shall provide local Code-2 and Code-3 coverage, and may suspend, with EMS Agency's approval, interfacility transport work as necessary, informing persons requesting interfacility transport service of the reason for the temporary suspension.

E. At the conclusion of such state-of-Emergency assistance, Contractor shall determine its direct marginal costs incurred in the course of rendering this disaster assistance, and shall present such cost statement to the EMS Agency for review and possible reimbursement should federal or state funds become available. Contractor shall allow, but not require, its employees to render aid under such disaster conditions voluntarily and without compensation. Contractor shall not include in its cost statement any charges for services rendered by volunteer employees. The cost statement associated with rendering aid under state-of-Emergency conditions shall be based entirely upon the actual direct marginal costs incurred by Contractor in the course of rendering such state-of-Emergency assistance, and shall not include costs of maintaining production capacity that would have been borne by Contractor to meet normal service requirements if the disaster had not occurred.

F. Mutual Aid/Standby.

1. Contractor shall, to the extent that it has sufficient resources available to maintain coverage and response within the EOA, respond to requests for Mutual Aid by Sonoma County 9-1-1 and First Responder agencies and Special Events requiring ALS coverage outside the EOA. If Contractor believes delivery of mutual-aid services to a neighboring jurisdiction becomes excessive (e.g., in excess of two percent of the calls for that zone absent a written contract for that level of Mutual Aid), Contractor shall inform EMS Agency. EMS Agency shall independently review the incidents and take appropriate steps it deems necessary, in its sole discretion, to rectify any inequity. Normal (i.e., not disaster related) MCI calls rendered by Contractor shall be performed in accordance with approved Mutual Aid agreements. In the course of rendering such Mutual Aid services, Contractor shall not be automatically exempt from late-run assessments, but may appeal assessments for individual calls, otherwise imposed by this Agreement. Contractor shall manage any response to such Mutual Aid requests in a manner which does not jeopardize Contractor's ability to render reliable Response Time performance as required herein.

2. Contractor shall provide Emergency Ground Ambulance Services standby services for working fires, hazardous materials incidents, hostage/SWAT events, disaster exercises and other Special Events within the EOA. Contractor shall draft a written standby service policy and obtain EMS Agency and Contract Oversight Committee approval. If Contractor is unable to provide the above stated standby services, Contractor shall refer the standby request to an approved Mutual Aid provider. Contractor understands and agrees that it is responsible for ensuring standby services are provided in

accordance with the instructions of the entity that requested the standby services, subject to the approval of the EMS Agency. In the event that Contractor is unable to provide such services either by itself or through an approved Mutual Aid provider due to unforeseen or extenuating circumstances, EMS Agency reserves the right to authorize another entity to provide such services.

1.15 Surge Capacity

A. EMS Agency acknowledges there may be periodic instances when a surge in demand will temporarily strain Contractor's available resources. When Contractor experiences periods of time where demand exceeds its available resources, Contractor may use multiple strategies to respond, including Mutual Aid, automatic aid and enlisting the services of existing qualified ALS Resources that are available within and adjacent to the EOA.

B. If non-Contractor resources respond to the scene within the applicable required Response Time, Liquidated Damages shall not be assessed against the Contractor for the response. If a QRV or other ALS First Responder responds, Contractor may be eligible to extend the response-time standard as set forth in Section 1.4(D)(3) of this Agreement. This subsection applies if the following occurs:

1. The arrangement meets all of EMS Agency's standards for ALS First Responder subcontracting as set forth in RFP Section 2.8(E); and

2. Contractor and the other Mutual Aid providers enter into an EMS Agency-approved Mutual Aid contract.

C. Contractor may enter subcontracts with agencies that provide surge capacity support in order to ensure that the responders and the responding agencies meet the EMS Agency's requirements. These agencies and resources may include the following: (1) ALS fire First Responders; (2) QRV; and (3) other approved ALS Ambulance Service providers.

2. Fees for Service.

2.1. User Fees.

A. Rate Scheduled for Services Rendered. Contractor shall utilize the rate schedule for Emergency Ground Ambulance Services rendered as set forth in Exhibit C. Contractor may not discount or reduce any rate for Emergency Ground Ambulance Services without the express written permission of the EMS Agency. The rates shown in Exhibit C shall remain in force for at least the first year after the Implementation Date.

B. Rate Inflation Adjustment. Effective one (1) year after the Implementation Date of this Agreement, Contractor will be allowed an opportunity for annual inflation adjustments to the base and mileage rates. No later than 90 days prior to each adjustment date, the Contractor must make a written request to the EMS Agency and the EMS Agency, within its sole discretion to approve or deny such request, will determine any rate increase based upon the percentage of rate of inflation of the Consumer Price Index (CPI) for the Urban Consumer, San Francisco-Oakland-San Jose over the most recent 12 month period. The EMS Agency will base its determination on published figures available at the time.

C. Other Requests for Rate Adjustments. Other than as set forth above, the Sonoma County Board of Supervisors has the authority to determine rates for services provided under this Agreement and has exercised that authority by establishing the rates set forth in Exhibit C. Contractor shall be allowed annually to apply for negotiated adjustments to Contractor's allowed fee structure in the event changes in applicable federal, state or local laws, rules or regulations require changes in the Contractor's operations

which may reasonably be expected to increase the Contractor's cost of performance of services which are the subject of this Agreement. The burden of proving the fact of and the amount of such actual and reasonable financial impact upon Contractor's costs of operations shall rest entirely with Contractor. In this respect, Contractor shall make such request and shall provide the EMS Agency with a full explanation of justification for the proposed adjustments with its request. Thereafter, the Board of Supervisors will hold a public hearing on the request, receive any evidence and testimony from Contractor as well as the recommendation of the EMS Agency, and determine whether to grant, modify or deny the requested adjustments as it shall deem appropriate under the circumstances. Contractor will provide non-audited records pertaining to the Agreement based on generally accepted accounting principles as defined by the American Institute of Certified Public Accountants (AICPA).

D. Any rate adjustments made under these provisions shall be agreed to in writing by both parties as Amendments to Exhibit C of this Agreement.

2.2. On-Scene Collections.

Contractor's personnel shall not request payment for services rendered under this Agreement in response to any Emergency Ground Ambulance Services call either at the scene of the call, en route, or upon delivery of the patient.

2.3. Billing and Collections

A. Contractor's billing and collection program shall be managed in compliance with all applicable local, state and federal laws and regulations and as set forth in RFP Section 6.4.2(n) attached hereto as Exhibit B.

B. Contractor shall recruit and maintain a billing and collection staff that is knowledgeable in data collections, medical auditing, and reimbursement practices and are customer service oriented and sensitive to the needs of patients.

C. Contractor shall maintain a billing and collections system that: (1) automatically generates Medicare and Medi-Cal statements; (2) verifies Medi-Cal eligibility prior to submitting claims; (3) files appeals on the patient's behalf for claims denied by Medicare and follows up for additional information; (4) assists patients throughout the billing process by seeking third-party billing information and filing claims on the patients' behalf to such payers; (5) handles private-pay patients, special contracts, DRG transports and other special arrangements; (6) generates itemized statements that list all procedures and supplies employed, when billed separately; (7) responds to patient and third party payer inquiries regarding submission of insurance claims, dates and types of payments made, itemized charges, and other inquiries; (8) generates listings of accounts requiring specialized follow-up; (9) provides daily, monthly and annual reports which furnish clear audit trails, including detailed payments and adjustments; (10) furnishes data necessary to document Contractor's compliance with rate approvals and other provisions as set forth herein; (11) facilitates changes of account type, addresses, etc.; (12) identifies missing information; and supports monitoring of each employee's accuracy and completeness in gathering required information; (12) provides for two-way cross-referencing of "run data" with "patient data"; and (13) demonstrates account activity, follow-up and pursuance of alternative third party and reimbursement sources.

D. Billing Procedures. Contractor shall obtain necessary billing information and perform billing services as set forth herein. It is the Contractor's responsibility to accurately prepare all appropriate billing information in order to do the following: (1) submit billings to third party payers; (2) bill patients for services rendered; (3) adhere to industry standards including billing patients' third party payers, providing patients with detailed listing of services provided, and monthly patient billing practices; and (4) mail bills to

users. Contractor shall establish a process to create a "Compassionate Care Allowance" for those patients with self-pay balances who can demonstrate insufficient funds or financial hardship wherein such balances may be written off.

The EMS Agency may request, on the behalf of any particular patient, consideration for a "Compassionate Care Allowance". Such request shall be reviewed and a decision rendered by Contractor's Vice-President of Operations for the area encompassing its Sonoma County operations. Contractor shall develop and maintain policies and procedures for its billing and collection services and shall, upon request of the EMS Agency, provide the EMS Agency with the written copies of such policies and procedures. Contractor shall develop and maintain a plan for user payment schedules.

Contractor shall ensure professional and courteous services and responses to answer questions about billing and payment schedules and services.

E. Contract Management/Monitoring Fee.

Contractor shall pay the EMS Agency an annual fee in an amount sufficient to cover the EMS Agency's monitoring and enforcing the provisions of this Agreement. Such fee shall be set at one hundred-forty thousand dollars (\$140,000.00) for fiscal year 2009-2010 and shall be established thereafter by the Board of Supervisors.

3. Term of Agreement and Extension Provisions.

A. Initial term. The initial term of this Agreement shall begin on Implementation Date and shall terminate at midnight, June 30, 2014, unless extended as provided for herein.

B. Extension of Agreement. This Agreement may be extended by the EMS Agency, within its sole discretion, for two (2) extension periods of three (3) and two (2) years each, for a maximum of ten (10) years based on superior performance. Any decision regarding possible renewal of this Agreement or any extension thereof shall be made at least 18 months prior to the scheduled termination date so that if no extension is approved, a new bid process may be conducted on a schedule that will identify the new contractor and allow reasonable time for both outgoing and incoming contractors to plan and execute an orderly transition (transition period).

4. End Term Provisions.

A. In the event Contractor is not the awarded the EMS Agency's next bid competition, Contractor shall continue to provide services during the transition period, and shall assist both EMS Agency and its new contractor in effecting a safe and orderly transition. The following provisions are designed to protect the interests of both Contractor and EMS Agency during the period of transition from one contractor to another.

B. End Term Equipment Replacement. EMS Agency recognizes that Contractor's equipment replacement schedules cannot be made to coincide with EMS Agency's procurement cycles. Contractor may find it difficult to arrange replacement of equipment toward the end of the contract term, unless special arrangements are made through the EMS Agency. To that end, Contractor may request a waiver of equipment replacement requirements during the final two (2) year extension, if extended, providing Contractor can demonstrate a negative fiscal impact and that such waiver shall not compromise Contractor's other performance requirements set forth herein and shall not jeopardize public health and safety.

C. End Term Equipment Disposition. Contractor and EMS Agency agree that at the end of the term of this Agreement, or any approved extension(s), excluding termination associated with a takeover resulting from Contractor's breach of this Agreement, Contractor shall have full rights of ownership of vehicles and equipment that may

have been assigned to EMS Agency or registered as being legally owned by EMS Agency during the term of this Agreement. EMS Agency shall release any claim of ownership to such vehicles or equipment immediately upon termination except as may occur related to a takeover resulting from Contractor's breach of this Agreement.

D. Transfer of name and goodwill. Upon termination of this Agreement, and if Contractor is not the winner of EMS Agency's next bid competition, EMS Agency may require Contractor to cease doing business under Contractor's name (d/b/a/ "Sonoma Life Support"). Contractor shall convey to EMS Agency and/or its new contractor, all rights to business for Emergency Ground Ambulance Services pursuant to the exclusive operating provisions of this Agreement that have been developed by Contractor during the term of this Agreement. However, Contractor shall assert no claim of rights to business conducted under Contractor's name after the termination of this Agreement, nor shall Contractor assert any claim of compensation owed relative to the loss of such business.

E. By entering into this Agreement, including the competitive award of certain market rights, Contractor acknowledges and accepts periodic bid competition, as structured under this or subsequent contracting procurement processes, as a safe, fair and economically effective method of awarding and periodically reallocating business and market rights in the Emergency Ambulance Service industry.

5. Dispute and Grievance Procedure

A. EMS Agency's duties shall include monitoring of the operation of this Agreement and insuring that Contractor fulfills its obligations hereunder. In fulfilling this responsibility, EMS Agency shall employ staff knowledgeable in issues concerning EMS, Emergency Ground Ambulance Services and the terms of this Agreement.

B. Disputes and Grievances. In addition to the duties outlined above, the EMS Agency shall attempt to resolve disputes or grievances concerning contract performance matters between Contractor and any city, fire district, public agency, consumer of service, and any other interested person or party. The EMS Agency shall not consider a dispute and grievance unless it concludes that the person or party filing said dispute and grievance has exhausted all other remedies which are reasonably available.

C. Minor Breach of Agreement. The EMS Agency shall also have the power to assess Liquidated Damages for Contractor's "minor breaches" of this Agreement as set forth in Section 6 of this Agreement. Minor breaches means failure to fulfill any of the terms and conditions of this Agreement which do not amount to a Major Breach of the Agreement, as that term is defined in Section 10 of this Agreement.

D. Appeal to EMS Agency Director. The EMS Agency's decisions in the matters referred to above may be appealed by Contractor to the EMS Agency Director, in writing within fifteen (15) days. If no appeal is taken, the EMS Agency's decision is final. When such matters are appealed to the EMS Agency Director, the Director shall conduct a hearing, consider such evidence, testimony and argument as may be reasonably presented, and shall render written findings and decisions to uphold, modify, or overturn the initial decision. The EMS Agency's Director's findings and decision shall be final. Notwithstanding this provision, Contractor may utilize the Dispute Resolution provisions set forth in Section 11 of this Agreement for final resolution of such disputes.

E. When decisions made under the above provisions become final, and Contractor is found at fault, Contractor shall pay to EMS Agency Liquidated Damages as set forth below.

6. Liquidated Damages

6.1. General Provision

This Agreement requires the highest levels of performance by Contractor. Mere demonstration of effort, even diligent and well intentioned effort by Contractor, shall not substitute for performance results required under this Agreement. Contractor and County agree that County's actual damages, in the event Contractor does not comply with the terms of this Agreement, would be extremely difficult or impracticable to determine, and therefore the parties agree to assess Liquidated Damages for said violations. The EMS Agency may impose Liquidated Damages on Contractor as set forth in this section and to pursue any other remedies permitted by law if Contractor fails to comply with the terms and conditions set forth in this Agreement.

This Agreement includes provisions for Liquidated Damages for late responses occurring within the EOA and other failures of Contractor to meet other requirements of this Agreement. Contractor shall pay EMS Agency said Liquidated Damages as determined and assessed by EMS Agency pursuant to the provisions contained herein. All Liquidated Damages recovered by EMS Agency pursuant to this Agreement shall be used for oversight and EMS Agency administrative activities related to this Agreement.

6.2. Damages for Late Responses to Code 2 Calls, Code 3 Calls and ALS Interfacility Transports.

Each month in which Contractor fails to meet the applicable response-time standards, Contractor shall review its SSP, Unit Hour of production, capacities and any other possible causes of non-compliance. Contractor shall prepare a report regarding the measures taken to prevent future failures and ensure compliance with the standards. Contractor shall submit the report to the EMS Agency within thirty (30) days of the failure.

Contractor shall not refer exclusive franchise calls to another agency unless it is part of a Mutual Aid plan submitted by the Contractor and approved by the EMS Agency. If the Contractor is not able to respond to such a request for Emergency Ground Ambulance Services and that call goes to another agency outside the approved Mutual Aid plan or to a BLS Transport Unit, the Contractor shall pay Liquidated Damages in the amount of \$2,500.00 per call. Appropriate referrals to specialty transport services are exempted from this Liquidated Damages section.

For each month in which the Contractor fails to meet the 90 percent Response Time standards within any Response Time zone, Contractor shall pay Liquidated Damages in the amount of \$500.00 for each one-tenth (1/10) of a percentage point by which Contractor's performance falls short of the 90 percent standard.

For every call in which Contractor fails to arrive within the maximum specified Response Time, Contractor shall pay Liquidated Damages in the amount of \$100.00 per excess minute or fraction thereof. The maximum amount of Liquidated Damages per call shall be \$800.00.

Exclusive franchise calls referred to another agency will be included as part of the response-time requirements for calculating compliance and Liquidated Damages as set forth above.

6.3 Damages Calculations for Upgrades, Downgrades, Canceled Responses, Multiple Units, Breakdowns and Other Incidents.

The parties hereby acknowledge that on occasion special circumstances may cause changes in call-priority classification. Response-time standards for determination of compliance and Liquidated Damages shall be calculated as follows:

- A. Upgrades.

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If an assignment is upgraded prior to arrival of an ALS Resource on the scene (e.g., from Code 2 to Code 3 response), Contractor's response-time compliance and Liquidated Damages shall be calculated based on the Code 2 response-time standard. This section applies only if the initial priority was established correctly and in accordance with the Medical Priority Dispatch System. If the initial priority was incorrectly established by Contractor, the more stringent standard shall apply.

B. Downgrades.

If an assignment is downgraded prior to arrival of an ALS Resource on the scene, Contractor's response-time compliance and Liquidated Damages shall be calculated based on the following criteria:

1. If the downgrade occurs after the ALS Resource has exceeded the more stringent maximum Response Time for the applicable zone, the more stringent standard shall apply.

2. If the downgrade occurs before the ALS Resource has exceeded the more stringent maximum Response Time for the applicable zone, the less stringent standard will apply.

3. This section shall only apply if the downgrade is authorized by the following: (i) 9-1-1/PSAP; (ii) REDCOM; or (iii) Any other person authorized by EMS Agency policies.

C. Canceled Responses.

If a call is canceled prior to arrival of an ALS Resource on the scene, Contractor's response-time compliance and Liquidated Damages shall be calculated based on the elapsed time from receipt of the call (the Ambulance's official time stamped as dispatched) to the time the call was canceled.

D. Multiple Units.

If multiple ALS Resources are requested, Contractor's response-time compliance and Liquidated Damages for the additional ALS Resources shall be calculated based on the time each additional ALS Resource is requested until the time each additional ALS Resource arrives on the scene consistent with the response-time standard for the incident.

E. Breakdowns.

If an ALS Resource breaks down at the scene, Contractor's response-time compliance and Liquidated Damages shall be calculated from the time the initial ALS Resource is requested to the time the new ALS Resource arrives. If an ALS Resource breaks down enroute to the scene, Contractor's response-time standard shall be calculated by measuring the original time of request of the initial ALS Resource to the time the replacement ALS Resource arrives on the scene. If a Transport Unit breaks down during transport with a patient, and requires the response of an additional Transport Unit, Contractor's Liquidated Damages shall be \$1,000.00.

F. Other Incidents Affecting Response-Time Calculations

1. Where response-time areas are divided along the center of the road, the shorter Response Time shall apply to both sides of the road.

2. Contractor shall not be responsible for response-time performance when providing Emergency response service outside the EOA. However, Contractor shall use its best efforts to respond expeditiously to mutual-aid calls. Responses to emergencies located outside the EOA will not be counted in the number of total calls used to determine monthly contract compliance.

3. For each response in which the Contractor's management staff or field staff fails to report the at-scene time, the response shall be counted as a late response in the response-time percentage calculation for that month. At-scene times shall be established from vehicle data or radio transmissions identifying the at-scene time.

6.4. Level "0" Status.

For every month Contractor reaches Level "0" Status greater than five times per month, Contractor shall pay Liquidated Damages in the amount of \$250.00 per each subsequent event.

6.5 BLS Response.

Contractor shall pay a fine of \$2,500 for each time Contractor sends a BLS Ambulance in response to a request for Emergency Ground Ambulance Service. Such fine shall not apply to non-franchise interfacility requests that require a BLS level of care.

6.6. Failed Response.

Each time Contractor fails to respond to a call for Emergency Ground Ambulance Services and fails to refer the call to an EMS Agency approved Mutual Aid provider, Contractor shall pay Liquidated Damages in the amount of \$5,000.00. Failed response calls shall be included in response-time compliance and Liquidated Damages calculations. EMS Agency shall evaluate each failed response incident to determine the threat to the public health and safety and determine whether a major breach of the Agreement has occurred.

6.7. Failure to Provide Compliance Data.

A. For each call, transport or account wherein Contractor fails to furnish required information within thirty business days of request or within three business days of request for prehospital patient care records, the EMS Agency may, at its discretion, impose upon Contractor Liquidated Damages of \$500.00.

B. This section shall not apply to cases where Contractor can demonstrate that the failure to produce requested information was beyond Contractor's reasonable control. Loss of records and computer problems shall not be considered beyond Contractor's reasonable control for purposes of this section.

C. If the EMS Agency determines, in its sole discretion, that the failure to produce requested information was caused by Contractor's refusal or delay, Contractor shall pay Liquidated Damages in the amount of \$2,500.00 per incident.

D. On-Scene times shall be established from vehicle data or radio transmissions identifying the On-Scene time.

6.8 Falsification of On-Scene Time.

A. For each incident in which a member of Contractor's field staff falsifies the On-Scene time, Contractor shall pay Liquidated Damages in the amount of \$1,000.00.

B. For each incident in which a member of Contractor's management staff falsifies data, Contractor shall pay Liquidated Damages in the amount of \$2,500.00.

C. For any incidence of falsification of data, EMS Agency shall review the circumstances to determine if there has been a material breach of this Agreement.

6.9 Exemption from Response-Time Standards and Waiver of Liquidated Damages.

A. The EMS Agency may, within its discretion, subject to input from the Contract Oversight Committee, grant exemptions to response-time performance standards stated herein. For example, exemptions may be granted for weather conditions, MCIs, or other situations causing delay beyond Contractor's control. EMS Agency shall examine SSP, staffing levels, backup Ambulance capability, dispatch, in-service times and other influencing factors. If the EMS Agency determines that an exemption is appropriate, the EMS Agency may authorize the exemption of those calls when calculating performance compliance and Liquidated Damages.

B. To be eligible for an exemption from response-time standards, Contractor shall submit a request for an exemption to EMS Agency within thirty (30) calendar days of the time of the occurrence. Equipment failure, dispatcher error, personnel error, or lack of a nearby Ambulance shall not constitute grounds to this exemption.

6.10 Payment of Assessed Liquidated Damages

Contractor shall pay EMS Agency the amount of Liquidated Damages assessed by EMS Agency, in its sole discretion, within thirty (30) days of receipt of written notice that Liquidated Damages have been assessed.

7. Most Favored Customer

A. Contractor understands and accepts that a loss of this Agreement in a future bid cycle means the loss of all business covered by the exclusivity provisions of this Agreement in the EOA. Contractor accepts this as a reasonable solution to the problems of system-wide disruption that would otherwise occur.

B. Contractor shall not enter into any service contracts of which the scope is consistent with the scope of services contained within this Agreement which extend beyond the date of termination of this Agreement, except as may be specifically approved in writing by EMS Agency.

C. Except as otherwise provided herein, all factors of production employed by the Contractor in the performance of this Agreement shall be devoted exclusively to the work of this Agreement. These "factors of production" include all equipment, supplies, facilities, locally assigned personnel, and all other production factors utilized by the Contractor in the performance of this work except where prohibited by law. Contractor may request an exception to this section and EMS Agency may issue written permission to use a factor of production for work other than described in this Agreement.

D. Contractor shall not be prohibited from doing outside work which is unrelated to ALS or medical transportation, so long as such work does not detract from performance by Contractor of its responsibilities under this Agreement.

E. Contractor may utilize the EMS Agency and County of Sonoma logo in advertising and public information programs. EMS Agency shall reserve the right to approval of any form and content of all advertising and public information materials related to services provided under this Agreement.

8. Audits and Inspections.

A. As often as may reasonably be deemed necessary, EMS Agency's representatives may observe Contractor's operations. Contractor shall make available to EMS Agency for its examination its records with respect to all matters covered by this Agreement, and make excerpts or transcripts from such records, and may make audits of all contracts, invoices, materials, payrolls, inventory records, records of personnel, daily logs,

conditions of employment, and other data related to all matters covered by this Agreement. EMS Agency representatives may, at any time, and without notification, directly observe Contractor's operation at the base of operations and business office, maintenance facility, and any Ambulance post location. County and EMS Agency representatives may ride as "third person" on any of Contractor's units at any time, provided, however, that in exercising this right to inspection and observation, County and EMS Agency representatives shall conduct themselves in a professional manner, be courteous and shall not interfere in any way with Contractor's personnel in the performance of its duties.

B. EMS Agency's right to observe and inspect operations or records in Contractor's business office shall, however, require reasonable notification (24 hours) and shall be given to Contractor in advance of any such visit.

C. This right to directly observe Contractor's field operations, base of operations, maintenance shop operations and Ambulance post locations shall extend to authorized representatives of the EMS Agency and any other person authorized by the EMS Agency. Such persons shall conduct themselves in a professional manner, be courteous and shall not interfere in any way with Contractor's personnel in the performance of its duties.

9. General Responsibilities of EMS Agency.

EMS Agency shall:

A. Conduct a competitive bid process for the selection of a contractor to provide Ambulance Services in the EOA as it shall deem necessary and appropriate.

B. Review, reserving the right to approve or disapprove, reasonable rates and charges by Contractor consistent with the provisions of Section 2.1 herein.

C. Review, reserving the right to approve or disapprove, contractual commitments made by Contractor, including agreements with Subcontractors to meet obligations under this Agreement.

D. Provide for system medical control/Medical Director.

E. EMS Agency reserves the right to review, and the right to approve or disapprove, equipment lease/sublease arrangements established by Contractor.

F. In the event of a default, taking over and managing all operations until a new contractor can be secured.

10. Major Breach and Emergency Takeover Provisions.

A. Major Breach Definitions: Conditions and circumstances which shall constitute a Major Breach of this Agreement by Contractor shall include the following:

1. Failure of Contractor to operate services in a manner which enables the EMS Agency and Contractor to remain in substantial compliance with the requirements of the applicable federal, state and local laws, rules and regulations. Minor infractions of such requirements shall not constitute a Major Breach of this Agreement.

2. Failure to comply with Response Time requirements within any response zone or combination of zones for two consecutive months, or three months each calendar year, shall be considered a Minor Breach of this Agreement.

Failure to comply with Response Time requirements within any response zone or combination of zones for three consecutive months, or four months out of each calendar year, shall be considered a Major Breach of this Agreement.

3. Failure to maintain in force throughout the term of this Agreement, including any extensions thereof, the insurance coverages required herein.

4. Failure to provide a replacement performance security in a form acceptable to the EMS Agency, as required by this Agreement, which failure shall be deemed to be a Major Breach endangering the public's health and safety.

5. Multiple or un-remediated failures to correct any Minor Breach within a reasonable period of time.

6. Any act or omission of Contractor which, in the reasonable opinion of the EMS Agency Director, poses a serious risk to public health and safety.

B. Notice to Contractor.

If it appears that any of the conditions or circumstances set forth above exists or has occurred, then the EMS Agency Director shall notify Contractor of such existence or occurrence. Contractor shall have a period of time, which shall be reasonable under the circumstances as determined by EMS Agency, in its sole discretion, to take appropriate remedial action to correct the deficiencies. Contractor and EMS Agency staff shall attempt in good faith and with all reasonable effort to resolve the allegations between and among themselves without recourse to other remedies available herein.

C. If an allegation of Major Breach has not been resolved under the above provisions, EMS Agency Director shall notify Contractor in writing and EMS Agency shall immediately undertake an Emergency takeover of Contractor's operations pursuant to the provisions herein.

D. If EMS Agency finds that only a Minor Breach has occurred, or that a Major Breach has occurred but the public health and safety would not be endangered by allowing Contractor to continue its operations, then EMS Agency may require other actions, short of termination and takeover, as it deems appropriate under the circumstances.

E. Board of Supervisors Hearing.

1. After Contractor is given reasonable notice, the County Board of Supervisors shall hold a hearing upon the EMS Agency Director's recommendations. The Board shall receive and consider any additional information and evidence on the matter which Contractor or others may wish to present, and determine whether a Major Breach of this Agreement has occurred and whether said breach is such that the public health and safety would be endangered by allowing Contractor to continue its operations under this Agreement. If the Board of Supervisors finds that a Major Breach has occurred, it shall declare this Agreement terminated and commence action to affect an immediate takeover by EMS Agency of Contractor's operations.

2. If the Board of Supervisors finds that only a Minor Breach has occurred, or that a Major Breach has occurred but that the public health and safety would not be endangered by allowing Contractor to continue its operations, the Board of Supervisors may take such other actions, short of termination and takeover, as it deems appropriate under the circumstances.

F. Expedited Hearing Process.

If, in the judgment of the EMS Agency Director, it appears a condition or circumstances of Major Breach exists or has occurred and that such condition or circumstance presents an immediate danger to the public health and safety, the EMS Agency Director, after giving notice to Contractor, may take the matter directly and immediately to the Board of Supervisors for its determination under the above provisions.

G. Notice of Default.

Pursuant to the above provisions, EMS Agency shall have the right to terminate, cancel or takeover services provided under this Agreement or to pursue any appropriate legal remedy in the event of a Major Breach. In such instance, EMS Agency shall provide written notice to Contractor specifying the date and time of intended termination or takeover.

H. Declaration of Public Health Officer.

The parties understand and agree that the Sonoma County Public Health Officer may determine that the facts constituting a default may also constitute a public health Emergency. In the event that the Public Health Officer declares a public health Emergency arising out of a default by Contractor, Contractor agrees that the Public Health Officer may exercise any power of the EMS Agency under this Agreement in addition to any power authorized by law.

I. Emergency Takeover.

Without limiting EMS Agency's rights as set forth herein, in the event EMS Agency determines that a Major Breach, actual or threatened, has or will occur, or that another event has or will occur that prevents performance, and if the nature of the breach or inability to perform is, in the reasonable opinion of the Director of the EMS Agency, such that public health and safety are endangered, and after Contractor has been given reasonable notice and an opportunity deemed reasonable by the Director of the EMS Agency to correct the deficiency (which may be less than thirty days depending on the circumstances and gravity of the breach), the matter may be presented to the Board of Supervisors. If the Board of Supervisors concurs that a breach has occurred and that the public health and safety would be endangered by allowing Contractor to continue its operations, Contractor shall cooperate fully with EMS Agency to affect an immediate takeover by EMS Agency of Contractor's equipment and vehicles. Such takeover may be affected at any time after action by the Board of Supervisors or within such time period as the Board of Supervisors determines to be appropriate.

J. Equipment and Vehicles.

All of Contractor's vehicles and related property, including, but not limited to, medical equipment and supplies and facilities necessary for the performance of services shall be deemed assigned to EMS Agency during the takeover period. Contractor shall promptly deliver to EMS Agency all equipment, including, but not limited to, Ambulances, Quick Response Vehicles, supervisor vehicles, sites used to house equipment, vehicles and staff, maintenance facilities and communications equipment used in providing Emergency Ground Ambulance Services under this Agreement. Contractor's assignment to EMS Agency shall include the number of vehicles used by Contractor's System Status Plan for the peak hour of the day, peak day of the week, for Emergency Ground Ambulance Services under the terms of this Agreement. Each vehicle shall be equipped at a level in accordance with its utilization in Contractor's System Status Plan and in accordance with EMS Agency policies, including all supplies necessary for minimum stocking levels of such vehicles.

K. Payment by EMS Agency.

Contractor shall be required to deliver the above delineated vehicles and equipment to EMS Agency in mitigation of any damages to EMS Agency resulting from Contractor's breach. EMS Agency shall pay monthly rent to Contractor equal to the aggregate monthly amount of Contractor's debt service and/or lease payments on all facilities, equipment or vehicles used in the performance of this Agreement that are financed to a purchase or lease schedule as documented by Contractor, at the Director of EMS Agency's request and verified by County's Auditor. Payments for EMS Agency's use of vehicles, equipment or facilities that are wholly owned by Contractor at the time of takeover shall be based on the fair market value, taking into account the age and condition of the items and presenting a payment schedule that is based on an interest free amortization schedule for the then current anticipated useful life of the equipment which in no event shall be longer than the life remaining on Contractor's depreciation schedule determined in accordance with GAAP. County's Auditor shall arrange for an independent third party to determine the fair market value of such items and the payment schedule that will prevail during the term of the takeover. County's Auditor shall disburse any payments that are made to either Contractor or Contractor's obligee during the takeover period. Such payments shall be made within forty-five (45) days of takeover and every 45 days thereafter. EMS Agency shall also be entitled to utilize, at Contractor's cost, all other services and supplies of Contractor or available to Contractor not previously addressed including billing services, maintenance, administrative consulting and management services. Contractor shall assign all applicable service, supply or other agreements to County or, if such agreements require consent for assignment, shall use its best efforts to obtain such consent.

L. Takeover Cooperation.

1. Consistent with the above provisions, Contractor shall cooperate completely and immediately with the EMS Agency and other County departments to effect an immediate takeover by EMS Agency of Contractor's operations. Such takeover shall be effective immediately or within not more than seventy-two (72) hours, after such finding of Major Breach as determined by the Board of Supervisors. EMS Agency shall attempt to keep whole the existing staff and operations until such time as either a new Request for Proposal can be issued and a new contractor secured or another alternative method of ensuring the continuation of services can be affected. Contractor shall not be prohibited from disputing any such finding of Major Breach through litigation, provided, however, that such litigation shall not have the effect of delaying, in any way, the immediate takeover of operations by EMS Agency.

2. These provisions are specifically stipulated and agreed to by both parties as being reasonable and necessary to the protection of the public health and safety, and any legal dispute concerning the finding that a Major Breach has occurred shall be initiated and shall take place only after the Emergency takeover has been completed, and shall not under any circumstances, delay the process of the Emergency takeover of EMS Agency's access to performance security funds or to Contractor's equipment.

3. Contractor's cooperation with and full support of such Emergency takeover, as well as Contractor's immediate release of performance security funds to EMS Agency, shall not be construed as acceptance by Contractor of the finding of Major Breach, and shall not in any way jeopardize Contractor's right to recovery should a court later find that declaration of Major Breach was made in error. However, failure on the part of Contractor to cooperate fully with EMS Agency to effect a safe and smooth takeover of operations shall itself constitute a Major Breach of this Agreement, even if it was later determined that the original declaration of Major Breach by the Provider Compliance Committee was made in error.

4. The Board of Supervisors shall be the final authority for the County. If the Board of Supervisors declares the Contractor to be in Major

Breach of this Agreement on grounds other than performance deficiencies deemed to be dangerous to public health and safety, Contractor may dispute the Board of Supervisor's claim of Major Breach without allowing takeover of operation by the EMS Agency prior to legal resolution of the dispute.

11. Dispute Resolution.

In the event of a dispute between the parties which is not resolved through the provisions as described herein, the parties shall proceed with mediation of the dispute. EMS Agency and Contractor agree to mediate any dispute or claim between them arising out of this Agreement or any resulting transaction before resorting to arbitration or other court action.

1. Fees. The mediation fee, if any, shall be divided equally among the parties involved.

2. Discovery. In advance of the mediation, the parties shall voluntarily exchange all documents requested by the other party that relate to the dispute. Issues concerning discovery shall be submitted to the mediator prior to mediation; the mediator's decision shall be binding upon the parties to the dispute.

3. Confidentiality. Any mediation proceeding shall be confidential and shall not be admissible in a subsequent proceeding.

4. Enforcement. If any party commences an arbitration or court action based on a dispute or claim to which this paragraph applies without first attempting to resolve the matter through mediation, then, in the discretion of the arbitrator(s) or judge, the other party may apply to such arbitrator or judge for an order staying the arbitration or court action pending mediation.

12. Performance Security Provisions.

A. The unique nature of the services which are the subject of this Agreement require that, in the event of default of a type that endangers public health and safety, EMS Agency must restore services immediately, and Contractor must assist in effecting the takeover of operations, even if Contractor disagrees that the declared default has occurred or that the default was caused by Contractor.

B. Contractor and EMS Agency agree that a performance security provision is a necessary part of this Agreement and that EMS Agency may utilize the performance security required herein in the event of Contractor's default on this Agreement. In that respect, Contractor shall furnish performance security in an amount and in accordance with the form and conditions set forth in RFP Section 5.3 and Contractor's Proposal, attached hereto as Exhibit B.

13. Insurance Required.

At all times during the term of this Agreement, and throughout any extension periods, Contractor shall maintain current insurance coverage. All such insurance shall be furnished by an insurance carrier appropriately licensed to write such policies, and acceptable to the County. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its sub-contractors to maintain insurance as described below:

13.1. Worker's Compensation Insurance. Worker's compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Department of Health Services.

13.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than one million dollars (\$1,000,000) limit for each occurrence and two million dollars (\$ 2,000,000) each for the general aggregate and the products/completed operations aggregate. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

a. The County of Sonoma, its officers and employees, is named as an additional insured for all liability arising out of the on-going and completed operations by or on behalf of the named insured in the performance of the Emergency Ground Ambulance Services Agreement between the County of Sonoma and _____.

b. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

c. The insurance provided herein is primary coverage to the County of Sonoma with respect to any insurance or self-insurance programs maintained by County.

d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Department of Health Services.

13.3. Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said automobile insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

a. The County of Sonoma, its officers and employees, is named as an additional insured for all liability arising out of the on-going and completed operations by or on behalf of the named insured in the performance of the Emergency Ground Ambulance Services Agreement between the County of Sonoma and _____.

b. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

c. The insurance provided herein is primary coverage to the County of Sonoma with respect to any insurance or self-insurance programs maintained by County.

d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Department of Health Services.

13.4 Professional Liability Insurance. Professional liability insurance for all activities of Contractor arising out of or in connection with this Agreement in an amount no less than one million dollars (\$ 1,000,000) combined single limit for each occurrence. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Department of Health Services.

13.5 Documentation. The following documentation shall be submitted to the County of Sonoma, Department of Health Services:

a. Properly executed Certificates of Insurance clearly evidencing all coverages and limits required above. Said Certificates shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-required coverages and limits on file with the County for the duration of this Agreement.

b. Copies of properly executed endorsements required above for each policy. Said endorsement copies shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current endorsements evidencing the above-specified requirements on file with the County for the duration of this Agreement.

c. Upon County's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of County's request.

d. After the Agreement has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

13.6 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

13.7 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. County, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. These remedies shall be in addition to any other remedies available to the County.

14. Compensation to Contractor.

A. As compensation for the services, equipment and materials furnished under this Agreement, Contractor shall receive the following as full compensation: (1) market rights as specified herein; (2) use of communication infrastructure with reasonable routine maintenance provided by the County as specified, and (3) income from fee for service billing and other reimbursement mechanisms as specified.

B. In consideration for all services, equipment, materials, and supplies to be furnished by Contractor, the EMS Agency has designated Contractor as the exclusive provider of Emergency Ground Ambulance in the EOA within the geographical areas defined by this Agreement. Contractor and EMS Agency agree that said designation shall begin on July 1, 2009, and shall continue throughout the term of this Agreement, unless otherwise mutually agreed upon. The parties further agree that by such designation and through the other provisions for Contractor compensation incorporated herein, County has fulfilled any and all obligations it may have presently or at any time during the term of this Agreement to compensate, reimburse, or otherwise pay Contractor for services provided to medically-indigent patients. Nothing in this Agreement is intended to create any duty on the part of County to pay for Emergency Ground Ambulance Service rendered to any individual.

15. Rights and Remedies Not Waived.

Contractor agrees and guarantees that the work herein specified shall be completed without further or additional compensation than that provided for in this Agreement, and that the acceptance of work herein and that payment thereof shall not be deemed to be a waiver by the County of any breach of covenants or conditions, or any default which may then exist on the part of Contractor, and the making of such payment while any such breach or default exists, shall in no way impair or prejudice any right or remedy available to County with respect to breach or default.

16. Representations of Contractor.

16.1 Standard of Care. County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release.

16.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of County and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits County provides its employees.

16.3 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold County harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case County is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish County with proof of payment of taxes on these earnings.

16.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed under this Agreement and shall make such documents and records available to County for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

Contractor and EMS Agency hereby agree that all data and records submitted to EMS Agency under this Agreement shall become and remain the property of EMS Agency, subject to disclosure pursuant to the California Public Records Act. Contractor may assert that any portion of such data or records provided pursuant to this section should be treated as confidential, and should be exempt from disclosure under the California Public Records Act. With each item claimed to be confidential, Contractor shall provide a statement as to the basis for the claim of confidentiality specifying the exact exemption in law. EMS Agency shall notify Contractor of any request for information for which Contractor has asserted a claim of confidentiality. Contractor may pursue its legal remedies to prevent disclosure of such information. Under no circumstances will the EMS Agency, County or any of their agents, representatives, consultants, directors, officers or employees be responsible for liable to Contractor or any other party as a result of disclosing any such materials.

16.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed. In

addition, if requested to do so by County, Contractor shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with County disclosing Contractor's or such other person's financial interests.

16.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis, including without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

16.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

16.8 Confidentiality. Contractor agrees to comply with all applicable state and federal laws and regulations regarding confidentiality. This paragraph 16.8 shall survive termination of this Agreement.

17. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article 17 limits County's right to Emergency takeover as authorized under this Agreement pursuant to Article 10.

18. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented. Any change in ownership equal to or greater than fifty (50) percent of Contractor's company shall be considered a form of assignment of this Agreement, and must be approved by EMS Agency, provided however, that EMS Agency shall not unreasonably withhold its approval of such change in ownership.

19. Method and Place of Giving Notice. All notices shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices shall be addressed as follows:

To Contractor:

DRAFT

To County:

Director of Health Services
County of Sonoma
3313 Chanate Road
Santa Rosa, CA 95404

With courtesy copies to:

Sonoma County Counsel's Office
Attn: Deputy County Counsel for Health Services
575 Administration Drive, Room 105
Santa Rosa, CA 95403-2881

When a notice is given by a generally recognized overnight courier service, the notice shall be deemed received on the next business day. When a copy of a notice is sent by facsimile or email, the notice shall be deemed received upon transmission as long as (1) the original copy of the notice is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email, (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5:00 p.m. (recipient's time). In all other instances, notices shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the persons to whom notices are to be given by giving notice pursuant to this paragraph.

20. Force Majeure.

A. Definition: "Force Majeure" shall mean flood, earthquake, storm, fire, lightning, explosion, epidemic, war, national Emergency, civil disturbance, sabotage, restraint by any governmental authority not due to violation by the party claiming force majeure of a statute, ordinance or regulation, or other similar circumstances beyond the control of such party, the consequences of which in each case, by exercise of due foresight such party could not reasonably have been expected to avoid, and which by the exercise of due diligence it would not have been able to overcome.

B. Effect: Except as otherwise expressly provided in this Agreement, no default in the performance of any obligations hereunder will be deemed to exist if such default is solely the result of a Force Majeure. In the event either party hereto is unable, by reason for Force Majeure, to carry out its obligations under this Agreement, it is agreed that on such party's giving prompt notice of the full particulars of such event of Force Majeure relied upon, the obligations of the party giving such notice so far as they are affected by such event of Force Majeure, shall be excused during the continuance of such event of Force Majeure. A breach of this Agreement caused by an event of Force Majeure shall as far as practical be remedied with all reasonable dispatch.

C. Diligent efforts: During any period in which any party hereto is excused from performance by reason of the occurrence of an event of Force Majeure, the party so excused shall promptly, diligently, and in good faith take all reasonable action required in order for it to be able to commence or resume performance of its obligations under this Agreement. Without limiting the generality of the foregoing, the party so excused from performance shall, during any such period of Force Majeure, take all actions reasonably necessary to terminate any temporary restraining orders, preliminary or permanent injunctions to enable it to so commence or resume performance of its obligations under this Agreement.

21. Miscellaneous Provisions.

21.1 No Waiver of Breach. The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

21.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and County acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

21.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

21.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

21.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Santa Rosa or the forum nearest to the city of Santa Rosa, in the County of Sonoma.

21.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

21.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

DRAFT

IN WITNESS WHEREOF, the parties hereto executed this Agreement as of the Effective Date.

Contractor: _____

By: _____

Name: _____

Title: _____

Date: _____

County: County of Sonoma

CERTIFICATES OF INSURANCE ON FILE WITH AND APPROVED AS TO SUBSTANCE FOR COUNTY:

By: _____

Director of Department of Health Services

Date: _____

APPROVED AS TO FORM FOR COUNTY:

By: _____

Deputy County Counsel

Date: _____

By: _____

Chair

Board of Supervisors

Date: _____

ATTEST:

Robert Deis

Clerk of the Board of Supervisors