

**CITY OF COSTA MESA  
PROFESSIONAL SERVICES AGREEMENT  
WITH  
CARE AMBULANCE SERVICE, INC.**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 1st day of August, 2018 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and CARE AMBULANCE SERVICE, INC., a California corporation ("Contractor").

**WITNESSETH:**

A. WHEREAS, City proposes to utilize the services of Contractor as an independent contractor to provide ambulance operator services, as more fully described herein; and

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

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

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

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

**1.0. SERVICES PROVIDED BY CONTRACTOR**

1.1. Scope of Services. Contractor shall provide the professional services described in the Scope of Work, attached hereto as Exhibit "A," and Contractor's Proposal, attached hereto as Exhibit "B," both incorporated herein by this reference. Contractor shall provide the services set forth herein in accordance with this Agreement, the requirements set forth in Exhibit A and all exhibits attached hereto, and all applicable local, state, and federal laws, rules, regulations, policies and procedures, including but not limited to the Costa Mesa Fire Department's Standard Operating Procedures.

(a) Contractor's Personnel.

(i) Selection. All personnel providing services to the City pursuant to this Agreement shall be certified ambulance drivers. In selecting personnel to provide services to the City pursuant to this Agreement, Contractor shall first establish a list of qualified candidates. Once Contractor establishes a list of qualified candidates, City and Contractor shall work together to make the final selection of personnel that will provide services to the City, which may include, but is not limited to, resume review, interviews,

and meetings with station captains.

- (ii) Personnel Issues. The Battalion Chief and Contractor's representative shall work together to resolve any issues involving Contractor's personnel.
- (iii) Automobile Accidents. If Contractor's personnel are involved in an automobile accident while providing services hereunder, Contractor and City shall conduct separate investigations in accordance with their respective internal policies and procedures. City and Contractor shall combine the results of their investigations into a final report regarding such accident.

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

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

- (a) Meet with Contractor to review the quality of the work and resolve the matters of concern;
- (b) Require Contractor to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

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

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

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

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

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

## **2.0. COMPENSATION AND BILLING**

2.1. Compensation. Contractor shall be paid in accordance with the fee schedule set forth in Exhibit "C," attached hereto and incorporated herein by this reference. Contractor's annual compensation shall not exceed One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000.00).

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

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

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



### **3.0. TIME OF PERFORMANCE**

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

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

### **4.0. TERM AND TERMINATION**

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of five (5) years, ending on July 31, 2023, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. This Agreement may be extended by five (5) additional one (1) year periods upon mutual written agreement of both parties.

4.2. Notice of Termination. Either party may terminate this Agreement at any time, with or without cause, at any time, by providing thirty (30) days' written notice to the other party. The termination of this Agreement shall be deemed effective thirty (30) days from receipt of the notice of termination.

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

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

### **5.0. INSURANCE**

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

- (a) Commercial general liability insurance, with a policy limit of not less than Ten Million Dollars (\$10,000,000.00) per occurrence and aggregate. The general liability policy shall protect against losses, including bodily injury, death and property damage, arising in connection with the performance of this Agreement.
- (b) Comprehensive business automobile liability insurance covering owned, non-owned, and hired vehicles, with a policy limit of not less than Five Million Dollars (\$5,000,000.00), combined single limits, per occurrence, for bodily injury and property damage. Such insurance shall include coverage for City-owned and Contractor-owned vehicles operated by Contractor's personnel in connection with this Agreement.
- (c) Workers' compensation insurance as required by the State of California. Contractor agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Contractor for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional liability insurance, which shall include ambulance medical malpractice coverage, with a policy limit of not less than Ten Million Dollars (\$10,000,000.00) per occurrence. For any policy written on a "claims made" basis, Contractor shall maintain said policy in full force and effect during the term of this Agreement and for a period of at least three (3) years from the termination of this Agreement. In the event of termination, cancellation, or material change of the policy during this period, Contractor shall obtain continuing insurance coverage for the prior acts or omissions of Contractor during the course of performing services pursuant to this Agreement. Such coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining a separate extended "tail" coverage with the present or new insurance carrier. Contractor shall provide evidence of such coverage to the City.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Contractor pursuant to its contract with the City; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; automobiles owned, leased, hired, or borrowed by the Contractor."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."



- (c) Other insurance: "The Contractor's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.
- (e) The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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

5.4. Certificates of Insurance. Contractor shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "D" and incorporated herein by this reference.

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

## 6.0. GENERAL PROVISIONS

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

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

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

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

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

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

IF TO CONTRACTOR:

Care Ambulance Service, Inc.  
1517 W. Braden Court  
Orange, CA 92868  
Tel: (714) 288-3800  
Attn: Troy Hagen

IF TO CITY:

City of Costa Mesa  
77 Fair Drive  
Costa Mesa, CA 92626  
Tel: (714) 754-5603  
Attn: Jason Pyle

Courtesy copy to:

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

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

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

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

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



6.9. Indemnification and Hold Harmless. Contractor agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Contractor's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance of the Contractor, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Contractor, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Contractor, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Contractor, its employees, and/or authorized subcontractors under this Agreement, whether or not the Contractor, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Contractor shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Contractor's Proposal, which shall be of no force and effect.

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

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

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors



providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

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

6.13. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Contractor. City shall indemnify and hold harmless Contractor from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Contractor. Contractor shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other related items as requested by City or its authorized representative, at no additional cost to the City.

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

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

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

Contractor occurs, then Contractor shall, at no cost to City, provide all necessary design drawings, estimates and other Contractor professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

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

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

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

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

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

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

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

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

6.25. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired,

which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

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

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

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

**CONTRACTOR**

  
Signature

Date: 8-27-2018

Troy M. Hagen, CEO  
[Name and Title]

33-0285453  
Social Security or Taxpayer ID Number

**CITY OF COSTA MESA**

  
Thomas Hatch  
City Manager

Date: 9/10/18

**ATTEST:**

Brenda Green 9-14-18  
Brenda Green  
City Clerk



**APPROVED AS TO FORM:**

  
Thomas Duarte  
City Attorney

Date: 09/07/18



APPROVED AS TO INSURANCE:

  
\_\_\_\_\_  
Ruth Wang  
Risk Management

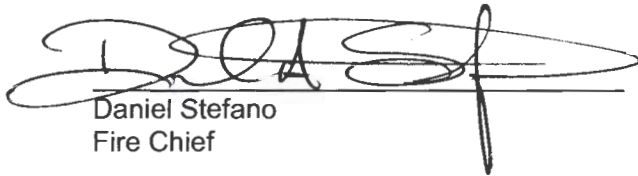
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APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Jason Pyle  
Project Manager

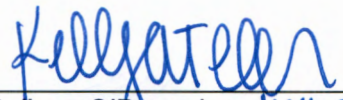
Date: 8/29/18

DEPARTMENTAL APPROVAL:

  
\_\_\_\_\_  
Daniel Stefano  
Fire Chief

Date: 8/29/18

APPROVED AS TO PURCHASING:

  
\_\_\_\_\_  
~~Colleen O'Donoghue~~ Kelly Telford  
Assistant Finance Director

Date: 9/6/18

**EXHIBIT A**  
**SCOPE OF WORK**

## **SCOPE OF WORK FOR AMBULANCE OPERATOR SERVICES**

### **A. Introduction to Scope of Work**

#### 1. Authority

The core function of local government is to provide for the essential needs of the community it serves, which includes firefighting/rescue and ambulance/Emergency Medical Services (EMS) that are critical to the protection and preservation of life, health, and property (California Government Code, Title 5, Division 2, Part 1, Section 54980). This Request for Proposals (RFP) was authorized by the Fire Chief of the City of Costa Mesa Fire & Rescue Department (CMF&R) pursuant to the City of Costa Mesa's Section 54980 powers, and also according to the City's sovereign and absolute authority over the provision, administration, and operational control of all prehospital EMS within its jurisdiction including, but not limited to, emergency ambulance response and patient transport services at both the Basic Life Support and Advanced Life Support levels, pursuant to Section 1797.201 of the California Health & Safety Code (Division 2.5, Chapter 4, Article 1).

#### 2. History

CMF&R has a rich history of protecting the citizens of Costa Mesa that formally began in 1956 when it became an official Fire Department staffed by professional firefighters. Along with all the other myriad critical functions performed by CMF&R, in 1975 the Paramedic Program was implemented along with the deployment of the City's first Rescue Ambulance staffed by Firefighter-Paramedics. Since that time, CMF&R has continuously adapted to changing community and operational needs by utilizing public- private partnerships with various ambulance companies, while at all times maintaining complete administrative and operational control over those companies regarding the ambulances operating within the City's jurisdiction and/or as part of the City's EMS System according to its authority and duty under sections 54980 and 1797.201.

#### 3. Mission

One of the many critical functions of CMF&R is the provision of prehospital EMS. The primary mission of CMF&R EMS is to optimize patient outcome by providing superior quality prehospital care in a proficient and compassionate manner. In furtherance of this goal, it is imperative that all aspects of the Costa Mesa EMS system and the patient "continuum of care" function as effectively and as efficiently as possible. The transportation of patients with medical emergencies from the incident scene to the appropriate emergency receiving center is one of the most important aspects of the EMS system and continuum of care. Therefore, all requirements and conditions listed in this document are written with the specific intent to ensure the most optimal emergency ambulance transportation system possible based on the following parameters:



- a. **Patient Care** - Superior patient care provided proficiently and compassionately by Paramedics and EMTs who conduct themselves with integrity and humility.
- b. **Resource Utilization** - Deployment of resources in a manner that is operationally efficient and maximally effective in achieving the best patient outcomes practical.
- c. **System Adaptability** - Maximum flexibility for ongoing adaptation to the rapid changes in EMS/prehospital care specifically, and community health and safety generally.
- d. **Fiscal Prudence** - Fair and reasonable cost recovery plan with a compassionate billing and collection policy that achieves an enhanced level of service and more efficient deployment model without increasing costs to the local taxpayer.

4. Philosophy

This RFP is an official and legal document written by CMF&R in our solemn role as advocates for, and protectors of, the citizens of Costa Mesa. It is important to know that, notwithstanding the strict standards and requirements enumerated, it is our sincere desire and intent to work with the prevailing organization in the spirit of friendship, cooperation, and mutual respect, and with sensitivity to its needs, interests, and concerns, as we strive together to provide the highest quality prehospital care possible.

5. Consultant

The City has contracted with A.P. Triton, LLC, as the primary and sole consultant to facilitate the administration of this RFP process due to their experience and expertise in the EMS industry with ambulance transportation and billing issues, RFP processes, and prehospital care generally as a vital component of our nation's healthcare system.

6. Scope of Work Overview

The City is soliciting proposals from qualified organizations to contract for the provision of ambulance operator staffing services, and ambulance transportation related services, for the Costa Mesa Fire & Rescue Department in furtherance of its EMS mission. All ambulance services described in this RFP document and Scope of Work refer only to *ground* ambulance services. CMF&R desires to staff three (3) 24-hour units with dedicated EMTs provided by Contractor. The City intends to bill and collect for all services provided by Contractor. The City shall provide city-owned ambulances for Contractor's EMTs to operate. The Scope of Work to be provided by Contractor may be categorized into four (4) service tiers:

- a. **First Tier Service: Ambulance Operators**
- b. **Second Tier Service: Reserve Ambulances**

- c. **Third Tier Service: Surge Plan**
- d. **Fourth Tier Service: Mutual Aid**

**B. Terminology** – The terminology and definitions listed below are for use in this Scope of Work section exclusively and, therefore, may have different meanings than used or defined elsewhere.

**ALS** – Advanced Life Support. Paramedics are authorized to provide this higher level of care.

**BLS** – Basic Life Support. Both EMTs and Paramedics can provide this level of care.

**CITY** – The municipal government agency that humbly serves the citizens of Costa Mesa.

**CMCC** – Costa Mesa Communications Center. Dispatches Fire & Police for the City.

**CMF&R** – Costa Mesa Fire & Rescue Department.

**CONTRACTOR** – The organization that is selected and awarded a contract to provide the services (Scope of Work) described in this RFP document. Used interchangeably and synonymously with “Proposer” depending on the context.

**EMS** – Emergency Medical Services. Usually refers to the prehospital environment.

**EMT** – Emergency Medical Technician. State-certified to provide BLS level care.

**AO** – Ambulance Operator. An EMT employed by Contractor who is assigned to a CMF&R Rescue Ambulance.

**MICP** – Mobile Intensive Care Paramedic. State licensed to provide BLS *and* ALS level care.

**OCEMS** – Orange County Emergency Medical Services Agency.

**PROPOSER** – An organization that submits a proposal and competes in the RFP process. Used interchangeably and synonymously with “Contractor” depending on the context.

**RESCUE AMBULANCE** – An apparatus owned by the City and controlled by CMF&R that is capable of transporting patients with medical emergencies. Some Rescue Ambulances may be staffed by CMF&R Firefighter Paramedics, and some may be staffed by Contractor’s EMTs (known as AOs: Ambulance Operators), based on the Department’s operational needs.

**RFP** – The “City of Costa Mesa Request for Proposal for Ambulance Operator Services” (i.e., this document).

**PROPOSAL** – The official response to this RFP by an organization that is competing in the RFP process that usually refers to a Proposer’s formal written responses, but may also refer more broadly to all statements, materials, and actions by a Proposer as part of the official RFP process (e.g., Oral Presentation statements, compliance with RFP process procedural requirements, etc.)

**C. General Requirements**

1. Performance Expectations – Contractor shall perform all contractual services in accordance with both the letter and spirit of all requirements, conditions, specifications, expectations, and other parameters delineated in the contract, to the complete satisfaction of CMF&R. All statements made and actions taken by Contractor in the execution of contractual obligations shall be done in a prudent, professional, and courteous manner that supports and/or advances CMF&R’s EMS mission of optimizing patient outcome by providing superior quality patient care with proficiency and compassion. Most important, Contractor decision making and conduct shall always be guided by and reflect only the highest ethical standards, comport with the principles of fairness and equal justice, and demonstrate respect and dignity for all human beings.
2. Contract Performance Costs – Unless otherwise indicated, all expenses necessary to meet RFP/contract requirements and/or perform contractual services and obligations will be paid solely by Contractor.
3. Contract Performance Standards – During the contract period, Contractor will be responsible for ensuring that all facilities, properties, vehicles, materiel, and documents/records used or available for use in the performance of contractual services and/or in the execution of contractual obligations are in good condition, fully functional, and maintained in a clean, orderly, and organized manner.
4. Inter-Agency Communications – Contractor shall designate one person as its official liaison to CMF&R who will serve as the primary contact and interface, and whose office shall be in Orange County, as close to Costa Mesa as practical. In order to foster teamwork and efficiency, it is imperative that there be an outstanding working relationship and excellent communications between agencies and agency liaisons.
5. Field Supervisor – Contractor shall ensure that, during each 24-hour shift, there is a designated Field Supervisor, stationed within Costa Mesa or at another location within Orange County as close to Costa Mesa as practical, who is immediately available by mobile phone and/or 800 MHz radio to the on-duty Battalion Chief or designee at all times during the shift. The Field Supervisor shall be able to respond to any incident within 20 minutes of being requested by CMF&R. All Field Supervisors must be qualified and capable of implementing and operating within the Incident Command System including the county MCI plan as well as all other OCEMS protocols.



6. Legal Compliance – Contractor shall ensure that ambulance personnel have sufficient understanding of, and are at all times in compliance with, all applicable EMS-related laws (federal, state, local), including, but not limited to: 1) California Health & Safety Code, Division 2.5; 2) California Code of Regulations, Title 22, Division 9, Chapter 2; and 3) California Vehicle Code.
7. Protocols Compliance – Contractor shall ensure that ambulance personnel comply with all OCEMS and CMF&R protocols (i.e., official rules, policies, procedures, standing orders, guidelines, etc.), as well as Contractor's internal protocols. Contractor, including any individual ambulance operator, shall immediately bring to the attention of CMF&R any protocol that appears to conflict with other protocols in order to reconcile the inconsistency, contradiction, and/or ambiguity.
8. Time Standards – The Agreement issued as a result of this RFP will include a one hundred percent (100%) compliance to the response time standards specified to all areas of the City and its operational areas.
9. Equality of Care – Contractor shall provide all services in the Scope of Work without regard to the patient's national origin, ethnicity, color, religion, sexual orientation, gender, age, insurance status, or ability/inability to pay. Any violation of this policy will be deemed a major breach and grounds for immediate contract termination.
10. CQI Plan – Contractor shall develop and maintain a comprehensive and relevant Continuous Quality Improvement plan and system that compliments and interfaces with CMF&R's CQI plan / quality management system
11. Continuing Education – Contractor shall ensure that relevant and frequent education and training courses are offered to assist field personnel in maintaining certification/licensure as defined in California Code of Regulations Title 22, Chapters 2, 4 and 11 and, to the extent possible, shall be built upon observation and findings derived from the Quality Assurance / Continuous Quality Improvement.
12. Pilot Programs / Research Projects – Contractor shall participate in all OCEMS-approved pilot programs or research projects as requested by CMF&R. Contractor agrees that their participation shall entail no additional cost to the City. Contractor further agrees that services provided under pilot programs or research projects shall be in addition to the other services described herein.
13. Comprehensive & Responsive Proposal – Proposals should fully demonstrate and explain how the Proposer would meet all the requirements and expectations specified in the RFP document, including the Scope of Work and all other attachments and addendums. Although many items in this RFP document will have express language such as "proposals shall include...", Proposers should not infer that just because such similar language is absent regarding other items that they can omit explanations of how they would satisfy the letter or intent of those items.
14. Incorporation by Reference – The Proposal submitted in response to this RFP will be retained and will be incorporated and referenced, and made a part of the

final Agreement, except that in the case of any conflicting provisions, the provisions contained in the final Agreement shall prevail.

15. Consultant Fees – Reimbursement for the Consultant utilized by CMF&R for the development and implementation for this RFP process shall not exceed \$100,000.

**D. First Tier Services: AMBULANCE OPERATORS**

1. **General** – Contractor shall provide staffing for three (3) CMF&R Rescue Ambulance units for each 24-hour shift, 365 days per year, for a total of 26,280 yearly unit hours. Contractor shall ensure that all three Rescue Ambulances are at all times staffed by two (2) Emergency Medical Technicians (EMTs).
  - a. The Proposal shall describe the staffing model(s) that will be used to meet the minimum number of unit hours required. The Proposal shall include staffing models of 24-, 12-, and 8-hour shifts, and any additional innovative approaches that would meet the minimum number of unit hours required. Proposer shall provide a breakdown of salaries and benefits for each model to ensure compliance with state and federal labor laws.
2. **AO Eligibility & Selection Criteria** – The Proposal shall describe the specific *criteria* that will be used to determine which EMTs are qualified to become a AO, and also the specific *process* by which qualified EMTs would be selected for assignment to a CMF&R Rescue Ambulance.
  - a. Staffing Principles – Contractor shall take all necessary steps, and make all reasonable efforts, to ensure that the EMTs on its AO eligibility list are well qualified, sufficiently experienced, proven reliable and responsible, and who possess the interpersonal characteristics and skills necessary for them to function effectively as part of the CMF&R team.
3. **Credentials Tracking & Renewal** – The Proposal shall describe the system that will be used to monitor expiration dates of required credentials for all AOs to prevent lapses in certification, and to facilitate the renewal process. Contractor shall be responsible for ensuring that all AO credentials—including, but not limited to, state EMT certification and OCEMS accreditation—are renewed in a timely manner. AOs with expired/lapsed credentials will be deemed a major breach and grounds for immediate contract termination.
4. **Cognitive & Psychomotor Proficiency** — The Proposal shall describe the education and training system that will be used to ensure that all EMTs employed by Contractor—AOs and otherwise—maintain proficiency in all relevant BLS-level clinical skills and knowledge, including all applicable OCEMS protocols.
5. **General Employment Policies**
  - a. Employee Wellness & Personnel Assistance Resources – The Proposal shall describe in detail the Proposer's Employee Wellness & Personnel Assistance programs and/or resources.



- b. Criminal Background Check – Contractor shall comply with state EMS Authority and OCEMS criminal history check requirements for all of its employees who work in Orange County as EMTs. Contractor shall contact all references given on applications, including but not limited to, any former EMS employers.
- c. Physical Fitness Testing & Training – The Proposal shall describe any physical fitness testing or training used as part of the initial hiring process and/or ongoing health maintenance.
- d. Medical Examination / Health Screening – The Proposal shall describe the specific process used for pre-employment and/or ongoing screening.
- e. OCEMS Protocols – The Proposal shall describe the process used to ensure that all ambulance personnel—AOs and otherwise—are sufficiently knowledgeable and proficient in all relevant OCEMS protocols.
- f. Driver History – Contractor shall require all ambulance driver candidates in its employ to submit a current California Department of Motor Vehicles Driving Record Report as requested by CMF&R. Contractor shall utilize the California Department of Motor Vehicles Pull Notice Program for all ambulance personnel in its employ.
- g. Driver Training Program – Contractor shall require all ambulance personnel in its employ to successfully complete an approved emergency ambulance driver- training program to ensure that ambulances are operated in a legal and safe manner. The driver-training program should be designed to verify driving proficiency upon hire and at reasonably spaced periodic intervals. The driver program shall meet or exceed industry standards. Contractor shall ensure that its vehicles are at all times operated in a safe manner.
- h. Vehicle & Equipment Familiarity – Contractor shall ensure that all EMTs who staff any ambulance are thoroughly familiar with all aspects of vehicle operation, and the location and use of all on-board equipment and supplies. This includes all aspects regarding the use of the MED-10 radio.
- i. Recruitment & Retention – It is very important that Contractor attracts the highest quality EMTs in the industry as possible. The Proposal must describe Proposer's compensation and benefits plans and provide at least a general indication as to how the plans compare to the other similar organizations in the county in terms of attracting and retaining EMTs. The Proposal must also describe Proposer's recruitment strategy.

**6. Uniforms & Personal Protective Equipment**

- a. Uniforms – AOs shall wear uniforms that are selected by CMF&R for the exclusive use by AOs when functioning as an on-duty AO on a CMF&R Rescue Ambulance. AO uniform requirements may be changed



at any time during the duration of the contract at the sole discretion of the Fire Chief.

- b. Personal Protective Equipment (PPE) – Contractor shall ensure that AOs have the appropriate PPE that meets national safety standards for EMS personnel, to include helmet, reflective vest, brush jacket, leather gloves, eye protection, and ear/hearing protection.
- c. Portable 800 MHz Radios – Contractor shall be responsible for, and bear all costs regarding, the provision of portable OCEMS-system compatible 800 MHz radios for each on-duty AO to enable AOs to communicate with CMF&R personnel for safety and operational reasons. Due to the importance of safety and good team communications, portable 800 MHz radios will be deemed part of the uniform for on-duty AOs.
- d. Costs – Contractor or their employees shall bear all uniform and PPE related costs except where specified otherwise, including cleaning, maintenance, repair, and replacement. Before commencement of the contract period, CMF&R and Contractor will mutually agree on the specific brand/model/type of PPE to be used.

## 7. **AO Appearance & Behavior**

- a. CMF&R Policies/Procedures – Contractor shall ensure that AOs adhere to all relevant CMF&R policies/procedures regarding appearance and behavior. CMF&R will provide Contractor copies of all relevant CMF&R policies/procedures before commencement of the contract period to give Contractor adequate time for the selection, assignment, and preparation of AOs.
- b. General Appearance – Contractor shall ensure that AOs at all times look and act in a professional manner to instill confidence in the citizens we serve, and to preserve the reputation of CMF&R, the City of Costa Mesa, and the Fire Service/EMS profession generally.
- c. Grooming & Hygiene – AOs shall be clean and well groomed at all times while on-duty or otherwise representing CMF&R, and exercise good personal hygiene habits in accordance with CMF&R policies, procedures, and standards.
- d. Mental Alertness – AOs shall report for duty well rested, alert, and not under the influence of any substance, legal or illegal, that may impair their judgment and/or performance.
- e. Physical Fitness – AOs shall keep themselves at a level of physical fitness sufficient to ensure they are capable of performing all the physical functions expected of an EMT and Ambulance Operator.
- f. Conduct – AOs shall always act in a safe, professional, and courteous manner.

- g. Advocacy – AOs are deemed part of the Costa Mesa EMS system, and are therefore expected to always act in the best interests of the Costa Mesa EMS system and the patients who depend on us.

8. **Facilities**

- a. Ambulance Station / Crew Quarters – The Proposal shall describe in detail the facilities that will be used to comply with the terms of the contract and the delivery of the services.
- b. Security – The Proposal shall describe the security plan/measures that will be used to adequately protect the personnel, equipment, supplies, and Rescue Ambulances while in quarters.
- c. Inspections – The on-duty Battalion Chief or designee will have the authority, but not the obligation, to inspect all facilities, properties, vehicles, and documents/records used or available for use in the performance of contractual services and/or in the execution of contractual obligations. Contractor refusal to permit such an inspection will be deemed a major breach and grounds for immediate contract termination.

9. **Operations**

- a. Dispatch – Contractor shall be solely responsible for obtaining, installing, and maintaining a ring-down telephone system as needed that directly links CMCC to all AO crews, and will be solely responsible for all installation, maintenance, repair, and other related costs necessary to ensure that the line remains operational at all times.
- b. Incident Command & Patient Authority – Responsibility for patient care and authority to make assessment, treatment, and/or transport decisions vests with CMF&R personnel (Paramedics particularly, if on scene). AOs will work under the direction of the CMF&R Captain/Incident Commander and/or the Paramedics in charge of the patient and/or incident. AO actions should be in support of, and consistent with, CMF&R efforts, and AOs should respond to the directions of CMF&R personnel in a positive and affirmative manner.

- 10. **Time Standards** – The following ground ambulance time standards must be met at a compliance rate of at least 90% (fractile) by AO crews. Monetary penalties will be applied for non-compliance with time standards.

ALARM to ENROUTE INTERVAL, 07:00 - 20:00	≤ 1 minute
ALARM to ENROUTE INTERVAL, 20:00 - 07:00	≤ 2 minutes
ENROUTE to ON SCENE INTERVAL, CODE-3	≤ 10 minutes
ENROUTE to ON SCENE INTERVAL, CODE-2	≤ 15 minutes

## E. Second Tier Services: RESERVE AMBULANCES

1. **Reserve Ambulances** – There will be times when CMF&R Rescue Ambulances staffed by AOs must be taken out of service for mechanical problems, routine maintenance, operational needs, or other various reasons. During these situations, Contractor must be able to immediately provide a fully operational emergency ambulance for any single or all AO crews until their City-owned Rescue Ambulance is put back into service.
  - a. The Proposal shall describe the capacity and plan for providing reserve ambulances in these situations.
2. **Vehicle Specifications** – The Proposal shall describe the specific vehicles that will be used as reserve ambulances for CMF&R
3. **Minimum Required Equipment / Supplies / Inventory**
  - a. On-Board 800 MHz Radio - Each reserve ambulance shall be equipped with an on-board 800 MHz radio.
  - b. Automatic Vehicle Locator (AVL) System – Each reserve ambulance shall be equipped with AVL hardware and software / GPS system that interfaces with CMCC / CMF&R.
  - c. Headset Communication System – Each reserve ambulance shall have a headset communication system that provides hearing protection during Code-3 transports and allows for communication between the ambulance driver (1 headset), and at least two CMF&R EMTs or Paramedics in the patient compartment (2 headsets).
  - d. Medical Equipment & Supplies Inventory – Contractor shall ensure that the medical equipment and supplies inventory of all reserve ambulances complies with OCEMS protocols.
  - e. Standardized Inventory – The Proposal shall describe the plan/system to ensure standardization of EMS equipment and supplies of rescue ambulances with the EMS equipment and supplies used by CMF&R.
  - f. Ambulance Supplies Restock System – Contractor shall be responsible for, and pay all costs in furtherance of, ensuring that all reserve ambulances are at all times equipped and supplied with the minimum required inventory. The Proposal shall describe the supply/restock system generally and explain how reserve ambulances will be restocked specifically.
4. **Maintenance & Repair**– Contractor shall be responsible and bear all costs for all routine preventive maintenance and repairs of reserve ambulances. Contractor shall adhere to its maintenance and maintenance records plan during the contract period. Disruption in service due to Contractor's non-compliance with the maintenance plan will be considered a major breach and grounds for immediate contract termination.



- a. The Proposal shall describe the maintenance plan, vehicle service records system, and mechanism for allowing CMF&R to inspect vehicle service records.

5. **Vehicle Replacement**

- a. General Replacement Policy - Whenever a reserve ambulance must be taken out of service for any reason (including mechanical failure and scheduled preventive maintenance) and for any length of time (temporarily or permanently), Contractor shall ensure that a replacement ambulance is immediately provided that meets the same requirements/specifications.
- b. The Proposal shall describe the replacement ambulance plan, including the designations (unit number) and specifications and mileage of the planned replacement ambulances.

F. **Third Tier Services: SURGE PLAN**

1. **Surge Capacity Defined** – For purposes of this RFP and subsequent Agreement with the prevailing Proposer, Surge Capacity is defined as the maximum delivery of emergency ambulance response and transportation services that the City of Costa Mesa EMS System is capable of providing when all of its available and potential resources are mobilized. Both CMF&R and Contractor must have plans in place to handle routine foreseeable surge situations (e.g., during periods of heavy call volume, including isolated Multiple Casualty Incidents), as well as larger scale sudden disaster situations or major Multiple Casualty Incidents affecting multiple EMS jurisdictions at the county or state levels.
2. **Surge Plan** – The Proposal shall describe the Surge Plan in all details, including additional costs, if any, and how those costs would be calculated.
3. **Vehicle Specifications** – Contractor may use any ambulance in its fleet for surge purposes so long as it meets or exceeds the requirements of the California Highway Patrol, the California Department of Motor Vehicles, the United States Department of Transportation, and the Orange County EMS Agency. Ambulances used for surge purposes do not necessarily have to be Type III Dual Rear Wheel vehicles (i.e., they may be Type I, II, or III).
4. **Minimum Required Equipment / Supplies / Inventory**
  - a. On-Board 800 MHz Radio – Surge ambulances shall be equipped with an on-board 800 MHz radio
  - b. Medical Equipment & Supplies Inventory – Contractor shall ensure that the medical equipment and supplies inventory of all surge ambulances complies with OCEMS protocols.
  - c. Ambulance Supplies Restock System – Contractor shall be responsible for, and pay all costs in furtherance of, ensuring that all surge ambulances are at all times equipped and supplied with the minimum required inventory.

- i. The proposal shall describe Proposer's supply/restock system and explain its plan for restocking surge ambulances.
  - ii. Since CMF&R desires to have as standardized an inventory as possible between agencies, Proposer has the option of describing in the proposal any recommendation it may have to utilize CMF&R's main supplier (Bound Tree), and/or create a mechanism to restock from CMF&R's EMS Central Supply and reimburse CMF&R accordingly, and/or any other reasonable and creative idea. Such recommendations will be considered by CMF&R, but not necessarily implemented.
5. **Special Events** – CMF&R will sometimes utilize its AO-staffed Rescue Ambulances for non-emergency purposes that will normally be scheduled in advance on the CMF&R Master Calendar (e.g., sports, community education, training, etc.). During these special events, Contractor shall provide a backup ambulance and crew for the duration of the event, to cover for the Rescue Ambulance involved and allow them to participate without interruption, provided CMF&R gives Contractor sufficient advance notice. Rescue Ambulance crews participating in these events will be considered “in color,” which is a state of conditional availability that means they should not be dispatched to respond to an incident unless requested by the on-duty Battalion Chief.
6. **Exclusivity Exception** – Contractor will be the exclusive provider of all surge/backup emergency ambulance services for CMF&R except in exigent and extenuating circumstances when, in the sole discretion of CMF&R personnel, it is in the patient's best interest to be transported by alternative means, which may include another ambulance company.
7. **Data Collection & Reporting** – Contractor shall track all relevant data from all surge/backup ambulance responses initiated by CMCC/CMF&R. Contractor shall prepare and submit a report (electronic/e-mail preferred) to CMF&R on a quarterly basis. Before commencement of the contract period, CMF&R and Contractor will meet to discuss and agree on the reporting format and the specific information to be included. Each quarterly report shall include, but not necessarily be limited to, the following:
  - a. Individual Incident Data (for each incident in a given 3-month period) – Date, CMF&R Incident Number, Ambulance Unit Number (indicate if another ambulance company was used), 911 Call Time, Alarm Time, Enroute Time, On Scene Time, At Patient Time, Scene Departure Time, At Hospital Time, Transfer of Care Time, Available Time, Alarm to Enroute Interval Time, Enroute to On Scene Interval Time.
  - b. Quarterly Incident Totals Data (includes all incidents during a given 3-month period) – Dispatches, Responses Upgraded to Code 3, Responses Cancelled Enroute, Ambulance Crew First At Patient (prior to CMF&R arrival), Dry Runs (arrived on scene but no transport), Resident BLS Transports, Resident ALS Transports, Non-Resident BLS Transports, Non-Resident ALS Transports, Responses Meeting Alarm to Enroute Interval Time Standard, Responses Exceeding Alarm to Enroute Interval Time

Standard, Responses Meeting Enroute to On Scene Interval Time  
Standard, Responses Exceeding Enroute to On Scene Interval Time  
Standard.

**G. Fourth Tier Services: MUTUAL AID**

1. **Mutual Aid Plan** – Contractor shall enter into an Agreement with a separate organization that is licensed, qualified, and capable of providing emergency ambulance response and transportation services for situations when there are no CMF&R or Contractor ambulances available. The Agreement between Contractor and the separate organization must be approved by the City before it may commence.

a. The Proposal shall describe the Mutual Aid plan/system in detail.



**EXHIBIT B**  
**CONTRACTOR'S PROPOSAL**

**EXHIBIT C**  
**FEE SCHEDULE**

## FEE SCHEDULE

### Compensation Package

	New Employee	After 2 Years Employment	After 5 Years Employment
Hourly Wage	Lowest \$ <u>13.25</u> h/r	Lowest \$ <u>13.72</u> h/r	Lowest \$ <u>14.16</u>
(Straight Time)	Highest \$ <u>13.50</u> h/r	Highest \$ <u>13.97</u> h/r	Highest \$ <u>14.38</u>
	Median \$ <u>13.25</u> h/r	Median \$ <u>13.72</u> h/r	Median \$ <u>14.16</u>

**Average number of hours per week for full time employee:** 56

**Average gross earning per year for full time employee:** \$47,125

Paid Vacation	<u>\$1,166</u> days/year	<u>\$1,756</u> days/year	<u>\$2,379</u> days/year
Paid Holiday	<u>11</u> days/year	<u>11</u> days/year	<u>11</u> days/year
Sick Leave Paid	<u>N/A</u> days/year	<u>N/A</u> days/year	<u>N/A</u> days/year
Continuing Ed.	<u>N/A</u> hours/year	<u>N/A</u> hours/year	<u>N/A</u> hours/year
Uniform Allowance	<u>\$ 1,000</u> /year	<u>\$ 1,000</u> /year	<u>\$ 1,000</u> /year
Tuition Reimbursement	<u>\$ 0</u> /year	<u>\$ 0</u> /year	<u>\$ 0</u> /year

### **Health Care**

Medical	<u>80</u> % covered	<u>80</u> % covered	<u>80</u> % covered
	<u>\$ 1,400</u> deductible	<u>\$ 1,400</u> deductible	<u>\$ 1,400</u> deductible
Optical	<u>0</u> %covered	<u>0</u> %covered	<u>0</u> %covered
Dental	<u>0</u> %covered	<u>0</u> %covered	<u>0</u> %covered

**Stock Options** N/A

**Profit Sharing** N/A

**Day Care Services** N/A

**Career Development** N/A

**Pension Plan** ER Match 6% of annual gross wages



**Proposed Operating Budget**

**Expenses**

**Personnel**

EMT's		
Wages	\$ 918,000 (2018 wage rates)	
Benefits	\$ 275,000	
Other Personnel		
Wages	\$ N/A	
Benefits	\$ N/A	
<b>Subtotal</b>		<b>\$ 1,193,000</b>

**Vehicles**

Gasoline	\$ N/A	
Repair and Maintenance	\$ N/A	
Equipment lease/depreciation	\$ N/A	
<b>Subtotal</b>		<b>\$ N/A</b>

**Medical Equipment/Supplies**

Supplies	\$ N/A	
Equipment lease/depreciation	\$ N/A	
Maintenance and Repair	\$ N/A	
<b>Subtotal</b>		<b>\$ N/A</b>

**Other**

Rents and leases	\$ N/A	
Insurance	\$ 92,000	
Utilities and telephone	\$ N/A	
Office supplies and postage	\$ N/A	
Professional services	\$ N/A	
Taxes	\$ N/A	
Uniforms	\$ 15,000	
Admin	\$ 285,000	
Overhead	\$ 182,000	
<b>Subtotal</b>		<b>\$ 574,000</b>

**Total Operating Expenses** **\$ 1,767,000.00**

## Additional Expenses

### **(1) Reserve Ambulances (on as-needed basis)**

Hourly cost of a Reserve Unit/Ambulance, 4 hour minimum \$25.00 per hour

If City requires the use of a Reserve Unit/Ambulance, City shall pay Contractor for such use as follows:

- 0-60 days aggregate= \$0 hourly rate
- 60-90 days aggregate= 50% of Contractor's hourly rate
- 90+ aggregate days=100% of Contractor's hourly rate

### **(2) Surge Unit/Ambulance EMT Crew (on as-needed basis)**

Hourly cost of a Surge Unit/Ambulance EMT Crew, 1 hour minimum \$115.00 per hour

Billing to City for a Surge Unit/Ambulance EMT Crew shall begin when City places a call to Contractor requesting Surge Unit/Ambulance EMT Crew assistance, as determined by City's time stamp of such request. Total billing to City for such assistance shall be calculated from the time City makes the request for assistance until completion of the call for which City requested assistance, as determined by City's time stamps for such call.

### **(3) Long-Term Front-Line Ambulance Usage**

In the future, if City desires to utilize an ambulance from Contractor's fleet as a front-line ambulance on a long-term basis in lieu of replacing a City ambulance, City shall pay to Contractor a monthly rate for such use, which shall be calculated based upon a five-year straight-line depreciation for such ambulance plus eight percent (8%).

### **(4) Temporary Housing of Station 1 Personnel**

If construction of Station 1 is not completed prior to the Effective Date of this Agreement, Contractor shall house Contractor's personnel assigned to Station 1 until Station 1 is completed and operational. Contractor shall provide such housing for up to sixty (60) days from the Effective Date of this Agreement at no cost to the City. If Station 1 is not operational within sixty (60) days from the Effective Date of this Agreement, City shall pay to Contractor housing costs for the Station 1 personnel as follows:

- \$3,833 per month

The monthly rate set forth herein is inclusive of all costs associated with housing Contractor's personnel assigned to Station 1, including but not limited to rent and utilities. The monthly rate charged to City shall be pro-rated based upon the number of days housing is required for the Station 1 personnel.

**EXHIBIT D**  
**CERTIFICATES OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/31/2018

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certification does not confer rights to the certificate holder in lieu of such endorsement(s).**

<b>PRODUCER</b> Willis of Seattle, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	<b>CONTACT NAME:</b> PHONE (A/C No. Ext): 1-877-945-7378      FAX (A/C No.): 1-888-467-2378 E-MAIL ADDRESS: certificates@willis.com														
<b>INSURED</b> Care Ambulance Services, Inc. 1517 West Braden Court Orange, CA 92868 USA	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Coverys Specialty Insurance Company</td> <td style="text-align: center;">15686</td> </tr> <tr> <td>INSURER B: Greenwich Insurance Company</td> <td style="text-align: center;">22322</td> </tr> <tr> <td>INSURER C: Steadfast Insurance Company</td> <td style="text-align: center;">26387</td> </tr> <tr> <td>INSURER D: XL Specialty Insurance Company</td> <td style="text-align: center;">37885</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Coverys Specialty Insurance Company	15686	INSURER B: Greenwich Insurance Company	22322	INSURER C: Steadfast Insurance Company	26387	INSURER D: XL Specialty Insurance Company	37885	INSURER E:		INSURER F:	
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**COVERAGES                                      CERTIFICATE NUMBER: W7361415                                      REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Products-Claims Made</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		Y	5-10013	10/01/2017	10/01/2018	EACH OCCURRENCE      \$      1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence)      \$      1,000,000 MED EXP (Any one person)      \$      5,000 PERSONAL & ADV INJURY      \$      1,000,000 GENERAL AGGREGATE      \$      2,000,000 PRODUCTS - COMP/OP AGG      \$      2,000,000 \$
	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			RAD500047602	10/01/2017	10/01/2018	COMBINED SINGLE LIMIT (Ea accident)      \$      1,000,000 BODILY INJURY (Per person)      \$ BODILY INJURY (Per accident)      \$ PROPERTY DAMAGE (Per accident)      \$ \$
C	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED      RETENTION \$			UMB5414770-04	10/01/2017	10/01/2018	EACH OCCURRENCE      \$      15,000,000 AGGREGATE      \$      15,000,000 \$
	<input checked="" type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> No If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	Y	RWD3000955-02	10/01/2017	10/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT      \$      1,000,000 E.L. DISEASE - EA EMPLOYEE      \$      1,000,000 E.L. DISEASE - POLICY LIMIT      \$      1,000,000
A	Misc Medical Professional Liability - Claims Made			5-10013	10/01/2017	10/01/2018	Per Claim      \$1,000,000 Aggregate      \$2,000,000 Abuse & Molestation      \$1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

This Voids and Replaces Previously Issued Certificate Dated 08/29/2018 WITH ID: W7333098.

The City of Costa Mesa and it's elected an appointed boards, officers, agents and employees are Additional Insureds as respects General Liability.

Waiver of Subrogation applies in favor of the City, its officers, agents, employees and volunteers with respects to

**CERTIFICATE HOLDER**

**CANCELLATION**

City of Costa Mesa 77 Fair Drive Costa Mesa, CA 92626	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	---



AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



## ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Willis of Seattle, Inc.		NAMED INSURED Care Ambulance Services, Inc. 1517 West Braden Court Orange, CA 92868 USA	
POLICY NUMBER See Page 1		EFFECTIVE DATE: See Page 1	
CARRIER See Page 1	NAIC CODE See Page 1		

### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Workers Compensation as permitted by law.



**ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION**

Attached to and forming part of Policy Number:	First Named Insured:	Policy Period:
5-10013	Falck USA, Inc.	10/1/2017 to 10/1/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

**SCHEDULE**

Name of Additional Insured Person(s) or Organization(s):
All entities or organizations contracted with the Named Insured with respect to Ambulance Services rendered by the insured

A. Section II. Definition of Insured is amended to include as an additional INSURED the person(s) or organization(s) shown in the Schedule above, but only with respect to liability for INJURY caused, in whole or in part, by a NAMED INSURED'S acts or omissions or the acts or omissions of those acting on a NAMED INSURED'S behalf:

- 1. In the performance of a NAMED INSURED'S ongoing operations; or
- 2. In connection with a NAMED INSURED'S premises owned by or rented to a NAMED INSURED.

However:

- 1. The insurance afforded to such additional INSURED only applies to the extent permitted by law; and
- 2. If coverage provided to the additional INSURED is required by a contract or agreement, the insurance afforded to such additional INSURED will not be broader than that which a NAMED INSURED is required by the contract or agreement to provide for such additional INSURED.

B. With respect to the insurance afforded to the additional INSUREDS shown in the Schedule above, if coverage provided to the additional INSURED is required by a contract or agreement, the most WE will pay on behalf of the additional INSURED is the amount of insurance:

- 1. Required by the contract or agreement; or
- 2. Available under the applicable Limit of Liability shown in the DECLARATIONS;

whichever is less.

Nothing in this endorsement shall vary, alter, waive or extend any of the terms and conditions of the POLICY, other than as expressly stated above.

Gregg L. Hanson  
President & CEO

Richard G. Hayes  
Treasurer

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Where required by written agreement signed prior to loss.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Insured

Falck USA, Inc. Insurance Company

XL Specialty Insurance Company

Policy No. RWD3000955-02

Endorsement No.

Premium Included

Countersigned by \_\_\_\_\_

**EXHIBIT E**

**CITY COUNCIL POLICY 100-5**



## CITY OF COSTA MESA, CALIFORNIA

### COUNCIL POLICY

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

#### BACKGROUND

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

#### PURPOSE

It is the purpose of this Policy to:

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

#### POLICY

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

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:
  - A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;
  - B. Establishing a Drug-Free Awareness Program to inform employees about:

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

1. The dangers of drug abuse in the workplace;
  2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;
  3. Any available drug counseling, rehabilitation and employee assistance programs; and
  4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- C. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;
- D. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:
1. Abide by the terms of the statement; and
  2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- E. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;
- F. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:
1. Taking appropriate personnel action against such an employee, up to and including termination; or
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

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

- G. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.
2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:
    - a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;
    - b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;
    - c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.
  3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.