

**CITY OF COSTA MESA
PROFESSIONAL SERVICES AGREEMENT
WITH
KAIN AKESO MEDICAL HOLDINGS, LLC
DBA PROCARE WORK INJURY CENTER**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 14th day of December, 2020 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and KAIN AKESO MEDICAL HOLDINGS, LLC, a Delaware limited liability company DBA PROCARE WORK INJURY CENTER ("Consultant").

WITNESSETH:

A. WHEREAS, City desires to utilize the services of Consultant as an independent contractor to provide employment-related medical evaluation services, as more fully described herein; and

B. WHEREAS, Consultant represents that it is knowledgeable in its field and that any services performed by Consultant under this Agreement will be performed in compliance with such standards as may be reasonable expected from a professional firm in the field, and that Consultant and its agents, employees and subcontractors hold all licenses necessary to practice and perform the services contemplated herein; and

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

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

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

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in the Scope of Services, attached hereto as Exhibit "A" and incorporated herein.

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

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work

will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

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

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

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

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

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

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

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "B," attached hereto and made a part of this Agreement by this reference (the "Fee Schedule"). Consultant's annual compensation shall not exceed Twenty Thousand Dollars (\$20,000.00).

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

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

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

3.0. TIME OF PERFORMANCE

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

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, pandemics, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party (each, a "Force Majeure Event"). If a party experiences a Force Majeure Event, the party shall, within five (5) days of the occurrence of the Force Majeure Event, give written notice to the other party stating the nature of the Force Majeure Event, its anticipated duration and any action being taken to avoid or minimize its effect. Any suspension of performance shall be of no greater scope and of no longer duration than is reasonably required and the party experiencing the Force Majeure Event shall use best efforts without being obligated to incur any material expenditure to remedy its inability to perform; provided, however, if the suspension of performance continues for sixty (60) days after the date of the occurrence and such failure to perform would constitute a material breach of this Agreement in the absence of such Force Majeure Event, the parties shall meet and discuss in good faith any amendments to this Agreement to permit the other party to exercise its rights under this Agreement. If the parties are

not able to agree on such amendments within thirty (30) days and if suspension of performance continues, such other party may terminate this Agreement immediately by written notice to the party experiencing the Force Majeure Event, in which case neither party shall have any liability to the other except for those rights and liabilities that accrued prior to the date of termination.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of three (3) years, ending on December 13, 2023, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. This Agreement may be extended by two (2) additional one (1) year periods upon mutual written agreement of both parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination.

4.4. Documents. In the event of termination of this Agreement, all documents prepared for City by Consultant in its performance of this Agreement shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City.

5.0. INSURANCE

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

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

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

- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

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

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

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

5.4. **Certificates of Insurance.** Consultant shall provide to City certificates of insurance

showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.

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

6.0. GENERAL PROVISIONS

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

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

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

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

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

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

IF TO CONSULTANT:

ProCare Work Injury Center
17232 Red Hill Ave.
Irvine, CA 92614
Tel: (951) 897-0051
Attn: Paula Morrison

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Tel: (714) 392-5499
Attn: Anita Chapanond

Courtesy copy to:

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

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

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

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

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

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

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

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

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

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

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

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

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

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

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

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

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

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

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

6.20. Binding Effect. This Agreement binds and benefits the parties and their respective permitted successors and assigns.

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

6.22. 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.

6.23. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement and have had an adequate opportunity to review each and every provision of the Agreement and submit the same to counsel or other consultants for review and comment. 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.

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

6.25. 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.

6.26. 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.


6.27. Counterparts and Electronic Signatures. 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. Counterpart written signatures may be transmitted by facsimile, email or other electronic means and have the same legal effect as if they were original signatures.

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

[Signatures appear on following page.]

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

CONSULTANT



Signature
Daniel Pencak CFO

[Name and Title]

Date: 1/19/2021

CITY OF COSTA MESA



Carol Molina
Purchasing Officer


Date: January 21, 2021

ATTEST:



Brenda Green
City Clerk



APPROVED AS TO FORM:


Kimberly Hall Barlow
City Attorney

Date: 2/4/21

APPROVED AS TO INSURANCE:



Ruth Wang
Risk Management

Date: 1/27/21

APPROVED AS TO CONTENT:

Anita Chapanond
Anita Chapanond
Project Manager

Date: 2-1-21

DEPARTMENTAL APPROVAL:

Klee
Kasama Lee
Acting Human Resources Manager

Date: 2/1/21

APPROVED AS TO PURCHASING:

Carol Molina
Carol Molina
Finance Director

Date: January 21, 2021

EXHIBIT A
SCOPE OF SERVICES

ProCare Work Injury Center

Scope of Services

- A. Consultant shall perform medical evaluation services in connection with pre-employment examinations, evaluation and treatment of workers' compensation injuries and illnesses, and other evaluations as requested by City. Each service request will be confirmed in writing between the City's Human Resources Department and Consultant prior to Consultant providing services pursuant to this Agreement. Specifically, Consultant's services will include:
1. Pre-employment medical evaluations and assessments for prospective and current City employees to perform the duties of the position for which they are being considered, using pre-determined medical protocols for each job classification. Such protocols may be modified by the physician, in consultation with the City's Human Resources Manager, or his/her designee, as is necessary to make a determination as to suitability for employment;
 2. Drug screens for current City employees being considered for employment in Department of Transportation (DOT) and non-DOT positions requiring pre-placement or pre-assignment drug screens;
 3. First aid claims (industrial and non-industrial)
 4. Urine and breath specimen collection, laboratory analysis and Medical Review Officer (MRO) responsibilities;
 5. Department of Motor Vehicle (DMV) and DOT mandated physical examinations;
 6. DOT-mandated drug and alcohol testing of employees considered "safety sensitive" as defined under DOT regulations and City policy. Consultant shall ensure each testing complies with DOT testing procedures pursuant to 49 CFR Part 40. Such testing shall include pre-employment and pre-assignment;
 7. Evaluation and treatment of workers' compensation injuries and illnesses;
 8. Tuberculosis (TB) testing;
 9. Vaccinations;
 10. COVID-19 testing (optional service).
- B. City shall be responsible for the organization, scheduling, and management of DOT and non-DOT "reasonable suspicion" drug and alcohol testing, and DOT "random" and "post-accident" drug and alcohol testing. Consultant shall facilitate evaluation of the results of said testing by qualified personnel, in accordance with the provisions of the Agreement and all applicable laws and regulations.
- C. Consultant shall ensure clinics used for DOT-related drug and alcohol testing maintain a current valid contract with a Substance Abuse and Mental Health Services Administration (SAMSHA)-certified laboratory. Consultant shall ensure turn-around time from specimen

collection to obtained test results shall be a maximum of three (3) working days for a negative test, and a maximum of five (5) working days for a positive test.

D. In providing medical evaluation services, Consultant shall:

1. Communicate with City Human Resources or Risk Management staff regarding applicants' or employees' progress throughout the medical evaluation process;
2. Communicate directly with applicants and City Human Resources or Risk Management staff throughout the pre-employment or pre-assignment process in regard to results and medical conditions as ascertained through the medical or physical examinations;
3. Provide an electronic final report in a format approved by City Risk Management staff in its sole discretion outlining each candidate's pre-employment placement medical evaluation and results;
4. Provide quarterly electronic activity reports, in a format approved by City Risk Management in its sole discretion, on the nature and number of examinations conducted, including but not limited to results and final dispositions;
5. Provide a detailed monthly explanation and summary of charges incurred;
6. Provide consultation as needed to Human Resources or Risk Management staff in connection with services provided pursuant to the Agreement;
7. Review all pre-employment/pre-placement medical evaluation services and maintain records in accordance with Federal and State laws, or as otherwise reasonably required by City, and to the fullest extent permitted by law. Consultant shall permit duly-authorized agents and employees of City to review such records;
8. Maintain a network of qualified and trained medical providers and medical specialists for necessary exams; orient City staff in the legal/medical/risk management and human resources aspects of Consultant's services;
9. Manage all bill review functions for the medical exams performed by clinics; and
10. Provide access to City staff to Consultant's tracking system.

E. Depending on job classification, pre-employment and pre-assignment medical examination processes may include: job profile review, review of medical history, check vital signs, detailed vision exam, including check of near/far/peripheral vision, Ishihara 14 and primary color, audiogram (if classification has specific occupational noise exposure or critical hearing demands), chest x-ray, EKG or treadmill stress EKG, Spirometry, chem panel 20, CBC w/diff, dipstick UA, or UA w/Micro (to lab), venipuncture and collection.

EXHIBIT B
FEE SCHEDULE

Consultant's prices for medical evaluation services are set forth below and in the following pages. City acknowledges that the prices are subject to change based on lab pricing, which Consultant will verify with the lab on the date of service.

Service	Price
Hep A Immunization First Vaccine	\$145.00
Hep A Immunization Second Vaccine	\$145.00
Hep A Administration	\$27.58
Hep A Titer (\$27.00), Lab Handling (\$20.00)	\$47.00
Hep B Immunization First Vaccine	\$145.00
Hep B Immunization Second Vaccine	\$145.00
Hep B Third Vaccine	\$145.00
Hep B Administration	\$27.58
Lead Adult Blood Test	\$93.50 + venipuncture and lab handling
COVID-19 Antibody Lab Test	\$85.00
Nasal Swab COVID-19 Test (only for non-symptomatic patients)	\$148.15 (\$120.00 plus \$28.15 for specimen collection)

Procedure Summary for CITY OF COSTA MESA-OTHER

1-WCEST - Workers Comp Follow Up Treatment

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	CMPIST	Company Instructions-IMPORTANT READ			
	WCINJURY	WC Injury Summary Sheet			
	WCWSNEW	Work Status E-mail work status to COCM			
1	SUPERBIL	WC Superbill			
2	RFAPT	RFA Physical Therapy			
4	PR-2	PR-2 Form Enter Charge Code: WC002 PDF Form: Custom\CA PR-2 Custom 2016 Good.pdf	\$ 12.89	No Discount	\$ 12.89
5	RFASI	RFA Specialist Imaging			

1-WCNEW - Workers Comp Initial Treatment

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	CMPIST	Company Instructions-IMPORTANT READ			
	COVIDQUE	COVID_19 Questionnaire			
	HIPAA	HIPAA Ntice			
	SUPERBIL	WC Superbill			
3	WCHYSTOR	WC Health Hystory-Scan Here			
6	DFR	DFR Form Enter Charge Code: WC001 PDF Form: Custom\CA Doctors First Report 2016.pdf	\$ 0.01	No Discount	\$ 0.01
6	WCWSNEW	Work Status E-mail work status to COCM			
7	RFASI	RFA Specialist Imaging			
8	RFAPT	RFA Physical Therapy			

AUDIOMET - Gross Hearing Test-Audiometric Testing

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	AUDIOM1	Audiometry Threshold W Speech Recognitio Enter Charge Code: 92556 PDF Form: Custom\Audiogram Form & Examen Audiometrico.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 58.66	Discount Dollar Amount: \$ 5.00	\$ 5.00

CHESTXC2 - Chest X-Ray Two Views sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	XRAY11IN	Rad Exam Chest; Interpretation Enter Charge Code: XRAYIN Bill Address Type: CO ID: COCM Dept:	\$ 197.40	Discount Dollar Amount: \$ 10.00	\$ 10.00
	XRAY12	Rad Exam Chest 2 Views Frntal&Lat 71046 Enter Charge Code: 71046 PDF Form: TB - Positive PPD Questionnaire.pdf	\$ 48.87	Discount Dollar Amount: \$ 20.00	\$ 20.00

Procedure Summary for CITY OF COSTA MESA-OTHER

Bill Address Type: CD ID: COCM Dept: OCCUMED

CHESTXCA - Chest X-Ray Single View sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	XRAY11	Rad Exam Chest; Sngl View Frontal Enter Charge Code: 71010 PDF Form: TB - Positive PPD Questionnaire.pdf Bill Address Type: CO ID: COCM Dept:	\$ 31.82	Discount Dollar Amount: \$ 10.00	\$ 10.00
	XRAY11IN	Rad Exam Chest; Interpretation Enter Charge Code: XRAYIN Bill Address Type: CO ID: COCM Dept:	\$ 197.40	Discount Dollar Amount: \$ 10.00	\$ 10.00

CHESTXR2 - Chest X-Ray Two Views sent by occupied

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	XRAY11IN	Rad Exam Chest; Interpretation Enter Charge Code: XRAYIN Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 197.40	Discount Dollar Amount: \$ 10.00	\$ 10.00
	XRAY12	Rad Exam Chest 2 Views Frntal&Lat 71046 Enter Charge Code: 71046 PDF Form: TB - Positive PPD Questionnaire.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 48.87	Discount Dollar Amount: \$ 20.00	\$ 20.00

CHESTXRA - Chest X-Ray Single View sent by occupied

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	XRAY11	Rad Exam Chest; Sngl View Frontal Enter Charge Code: 71010 PDF Form: TB - Positive PPD Questionnaire.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 31.82	Discount Dollar Amount: \$ 10.00	\$ 10.00
	XRAY11IN	Rad Exam Chest; Interpretation Enter Charge Code: XRAYIN Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 197.40	Discount Dollar Amount: \$ 10.00	\$ 10.00

DOT-PHY - DMV Physical sent by occupied

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	ATTINSCO	PHQ-9			
	PHY-DOT	DOT Physical Examination-SCAN FORMS Enter Charge Code: PHYDPOT PDF Form: Custom\Medical Consent Form.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 150.00	Discount Dollar Amount: \$ 45.00	\$ 45.00
2	TOFORM	Treatment Authorization Form			

DOT-PHYC - DMV Physical sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	PHY-DOT	DOT Physical Examination-SCAN FORMS Enter Charge Code: PHYDPOT PDF Form: Custom\Medical Consent Form.pdf Bill Address Type: CO ID: COCM Dept:	\$ 150.00	Discount Dollar Amount: \$ 45.00	\$ 45.00

Procedure Summary for CITY OF COSTA MESA-OTHER**DS - Drug screen ordered on ProCare TA Form**

<u>Rank</u>	<u>Task ID</u>	<u>Description</u>	<u>Std Amount</u>	<u>Discount Type & Amount</u>	<u>Amount</u>
	DS-RELEA	Drug Screen Release Form			
1	DS-10P	10 Panel Drug Screen-Scan Result Enter Charge Code: DS10PNL PDF Form: Custom\10 panel Rapid Drugs Screen Test Form.pdf Bill Address Type: CO ID: COCM Dept: e-mail DS results to COCM-DS. E-mail to this e-mail only if patient came with our Treatment authorization form, not Accu-Med's form.	\$ 60.00	Discount Dollar Amount: \$ 30.00	\$ 30.00

DSAFTERH - Rapid DS after hours sent by city

<u>Rank</u>	<u>Task ID</u>	<u>Description</u>	<u>Std Amount</u>	<u>Discount Type & Amount</u>	<u>Amount</u>
	DS-RELEA	Drug Screen Release Form			
1	DS-10P	10 Panel Drug Screen-Scan Result Enter Charge Code: DS10PNL PDF Form: Custom\10 panel Rapid Drugs Screen Test Form.pdf Bill Address Type: CO ID: COCM Dept: e-mail DS results to COCM-DS. E-mail to this e-mail only if patient came with our Treatment authorization form, not Accu-Med's form.	\$ 60.00	Discount Dollar Amount: \$ 30.00	\$ 30.00

DS-COLLE - Drug Screen Collection Occumed

<u>Rank</u>	<u>Task ID</u>	<u>Description</u>	<u>Std Amount</u>	<u>Discount Type & Amount</u>	<u>Amount</u>
	DS-COC	Drug Screen CoC-Scan CoC Form Here			
	DS-COLL	Drug Screen, Collection Only-SCAN CoC Enter Charge Code: DSCOLL Bill Address Type: CD ID: COCM Dept: OCCUMED Call the lab from the Chain of Custody to pick up the specimen	\$ 35.00	Discount Dollar Amount: \$ 20.00	\$ 20.00
	DS-RELEA	Drug Screen Release Form			

DS-DMV - DOT DS-Collection-Ordered Quest Lab CoC

<u>Rank</u>	<u>Task ID</u>	<u>Description</u>	<u>Std Amount</u>	<u>Discount Type & Amount</u>	<u>Amount</u>
	DS-COC	Drug Screen CoC-Scan CoC Form Here			
	DS-SPECH	DS collection only Speciment Handling Enter Charge Code: DSCOLL PDF Form: Custom\DS Release form.pdf Bill Address Type: CD ID: COCM Dept: NATIONAL Call the lab from the Chain of Custody to pick up the specimen	\$ 35.00	No Discount	\$ 35.00

DS-DMV2 - DOT DS-Collection-Occumed ordered

<u>Rank</u>	<u>Task ID</u>	<u>Description</u>	<u>Std Amount</u>	<u>Discount Type & Amount</u>	<u>Amount</u>
	DS-COC	Drug Screen CoC-Scan CoC Form Here			
	DS-SPECH	DS collection only Speciment Handling Enter Charge Code: DSCOLL PDF Form: Custom\DS Release form.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED Call the lab from the Chain of Custody to pick up the specimen	\$ 35.00	Dollars Off: \$ 5.00	\$ 30.00

Procedure Summary for CITY OF COSTA MESA-OTHER

DSRAPIDR - DS REASONABLE SUSP. on ProCare TA Form

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	DS-RELEA	Drug Screen Release Form			
1	DS-RAP10	10 pnl Rapid Drug Screen Enter Charge Code: DSRAPID2 PDF Form: Custom\10 panel Rapid Drugs Screen Test Form.pdf Bill Address Type: CO ID: COCM Dept:	\$ 45.00	Discount Dollar Amount: \$ 60.00	\$ 60.00
1	DS-RAPRE	Rapid Drug Screen Result Print Report: DRUG SCREEN RESULTS LETTER			

OSHAQUEC - OSHA Respirator Quest. Review from city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	OSHAQUES	OSHA Respirator Questionnaire Enter Charge Code: OSHAQUES PDF Form: Custom\Respirator Medical Evaluation Questionnaire - Part A.pdf Bill Address Type: CO ID: COCM Dept: e-mail results of review to COCM-OSHA	\$ 55.00	Discount Dollar Amount: \$ 5.00	\$ 5.00

OSHAQUEP - OSHA Respirator Exam & Questionnaire

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	OSHAQUES	OSHA Respirator Questionnaire Enter Charge Code: OSHAQUES PDF Form: Custom\Respirator Medical Evaluation Questionnaire - Part A.pdf Bill Address Type: CO ID: COCM Dept:	\$ 55.00	Discount Dollar Amount: \$ 5.00	\$ 5.00
	PHY-1	Employment Physical Exam-Scan Forms Here Enter Charge Code: PHYLEV1 PDF Form: Custom\General Physical Evaluation Form.pdf Bill Address Type: CO ID: COCM Dept:	\$ 105.00	Discount Dollar Amount: \$ 30.00	\$ 30.00

OSHAQUES - OSHA Respirator Questionnaire Review

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	OSHAQUES	OSHA Respirator Questionnaire Enter Charge Code: OSHAQUES PDF Form: Custom\Respirator Medical Evaluation Questionnaire - Part A.pdf Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 55.00	No Discount	\$ 55.00

PFT - Pulmonary Function Test sent by occumed

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	PFT	PFT Pulmonary Function SCAN 94060 Enter Charge Code: 94060 Bill Address Type: CD ID: COCM Dept: OCCUMED	\$ 89.62	Discount Dollar Amount: \$ 5.00	\$ 5.00

PFTCITY - Pulmonary Function Test sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	PFT	PFT Pulmonary Function SCAN 94060 Enter Charge Code: 94060 Bill Address Type: CO ID: COCM Dept:	\$ 89.62	Discount Dollar Amount: \$ 5.00	\$ 5.00

Procedure Summary for CITY OF COSTA MESA-OTHER

PHYEXEC - Executive Physical sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
2	PHY-1	Employment Physical Exam-Scan Forms Here	\$	Discount Dollar Amount: \$ 425.00	\$ 425.00
		Enter Charge Code: PHYLEV1			
		PDF Form: Custom\General Physical Evaluation Form.pdf			
		Bill Address Type: CO ID: COCM Dept:			
		Executive physical is for the employee benefit only and results should not be sent to anybody			

PHYEXECO - Executive Physical sent by occupied

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
2	PHY-1	Employment Physical Exam-Scan Forms Here	\$	Discount Dollar Amount: \$ 425.00	\$ 425.00
		Enter Charge Code: PHYLEV1			
		PDF Form: Custom\General Physical Evaluation Form.pdf			
		Bill Address Type: CD ID: COCM Dept: OCCUMED			
		Executive physical is for the employee benefit only and results should not be sent to anybody			

PHYREG - General Physical Exam-with our Auth Form

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
1	PHY-1	Employment Physical Exam-Scan Forms Here	\$ 105.00	Discount Dollar Amount: \$ 30.00	\$ 30.00
		Enter Charge Code: PHYLEV1			
		PDF Form: Custom\General Physical Evaluation Form.pdf			
		Bill Address Type: CO ID: COCM Dept:			
6	PHY-RESU	Physical Results-SCAN RESULT SHEET ONLY			
		FRONT DESK:e-mail physicals results to COCM-PHY. e-mail there only if patient came with out Treatment authorization form, not Accu-Med's form			

PHYREGO - General Physical Exam-Occu-Med Auth Form

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
	OPHT8	Titmus Color Vision -SCAN HERE	\$ 80.53	Discount Dollar Amount: \$ 15.00	\$ 15.00
		Enter Charge Code: 92283			
		PDF Form: Vision Exam.pdf			
		Bill Address Type: CD ID: COCM Dept: OCCUMED			
	UA	Urin Analysis 81000	\$ 30.00	Discount Dollar Amount: \$ 3.00	\$ 3.00
		Enter Charge Code: UA			
		PDF Form: Custom\URINALYSIS FORM.pdf			
		Bill Address Type: CD ID: COCM Dept: OCCUMED			
1	PHY-1	Employment Physical Exam-Scan Forms Here	\$ 105.00	Discount Dollar Amount: \$ 30.00	\$ 30.00
		Enter Charge Code: PHYLEV1			
		PDF Form: Custom\COCM General Physical Evaluation Form.pdf			
		Bill Address Type: CD ID: COCM Dept: OCCUMED			
6	COCMHIST	Occu-Med History Questionnaire	\$ 20.00	Discount Dollar Amount: \$ 5.00	\$ 5.00
		Enter Charge Code: MEDHIST			
		PDF Form: Custom\COCM Medical History Questionnaire.pdf			
		Bill Address Type: CD ID: COCM Dept: OCCUMED			

TB-PPD - PPD (TB) skin test - sent by city

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
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Procedure Summary for CITY OF COSTA MESA-OTHER

TB-PPD Tuberculin Skin Test (TST/PPD) WC \$ 55.00 Discount Dollar Amount: \$ 5.00 \$ 5.00

Enter Charge Code: 86580
 PDF Form: TB (PPD) Skin Test.pdf
 Bill Address Type: CO ID: COCM Dept:
 Remind patient to return for the reading of this test within 48-72 hours, no appointment needed. \

e-mail TB results to COCM-TB, e-mail to this e-mail only if patient came in with our Treatment Authorization form-not Accu-meds.

If TB is positive do chest X-ray and add the charge in systoc

TB-PPDO - PPD (TB) skin test - sent by OCCUMED

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
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TB-PPD		Tuberculin Skin Test (TST/PPD) WC	\$ 55.00	Discount Dollar Amount: \$ 5.00	\$ 5.00
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Enter Charge Code: 86580
 PDF Form: TB (PPD) Skin Test.pdf
 Bill Address Type: CD ID: COCM Dept: OCCUMED
 Remind patient to return for the reading of this test within 48-72 hours, no appointment needed. \

e-mail TB results to COCM-TB, e-mail to this e-mail only if patient came in with our Treatment Authorization form-not Accu-meds.

If TB is positive do chest X-ray and add the charge in systoc

UA-COLLE - Urine Analysis Collection Only

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
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UAC		Urin Analysis Collection	\$ 20.00	Discount Dollar Amount: \$ 20.00	\$ 20.00
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Enter Charge Code: UAC
 PDF Form: Custom\URINALYSIS FORM.pdf
 Bill Address Type: CD ID: COCM Dept: OCCUMED

URINEDIP - (House Lab) Dipstick Urine Analysis

No Discount

Enter Charge Code:
 Data Entry Module:
 Print Report:

VENIPUNC - Venipuncture

Rank	Task ID	Description	Std Amount	Discount Type & Amount	Amount
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VENIPNCT		Venipuncture 36415	\$ 14.55	Discount Dollar Amount: \$ 2.00	\$ 2.00
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Enter Charge Code: 36415
 Bill Address Type: CD ID: COCM Dept: OCCUMED

EXHIBIT C
CITY COUNCIL POLICY 100-5

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

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

BACKGROUND

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

PURPOSE

It is the purpose of this Policy to:

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

POLICY

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

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

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

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

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

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