

AGREEMENT TO PROVIDE CONTRACT MEDICAL SERVICES

FOR THE CITY OF CARSON, CALIFORNIA

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into this 1st day of July, 2008, by and between the CITY OF CARSON, a general law city and municipal corporation, ("City") and WESTERN MEDICAL GROUP, a California corporation ("Medical Services Provider"). The term Medical Services Provider includes professionals performing as doctors, nurses, nurse practitioners, and other medical personnel acting on behalf of WESTERN MEDICAL GROUP, to render medical services of any kind. The parties hereto agree as follows:

1.0 SERVICES OF MEDICAL SERVICES PROVIDER

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, the Medical Services Provider shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Medical Services Provider represents and warrants that Medical Services Provider is a provider of first class work and services and Medical Services Provider is experienced in performing the work and services contemplated herein and, in light of such status and experience, Medical Services Provider covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Medical Services Provider's Proposal. The Scope of Services shall include the Medical Services Provider's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments. Medical Services Provider shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Medical Services Provider shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Medical Services Provider's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City in regard to services provided by Medical Services Provider.

1.5 Familiarity with Work. By executing this Agreement, Medical Services Provider warrants that Medical Services Provider (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Medical Services Provider warrants that Medical Services Provider has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Medical Services Provider discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Medical Services Provider shall immediately inform the City of such fact and shall not proceed except at Medical Services Provider's risk until written instructions are received from the Contract Officer.

1.6 Care of Work. The Medical Services Provider shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Medical Services Provider, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Medical Services Provider. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Medical Services Provider that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Medical Services Provider hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Medical Services Provider anticipates and that Medical Services Provider shall not be entitled to additional compensation therefor.

1.9 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.



2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, the Medical Services Provider shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the maximum contract amount of Fifty-One Thousand dollars (\$51,000.00) ("Contract Sum"), except as provided in Section 1.8. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Medical Services Provider's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expense, transportation expense approved by the Contract Officer in advance, and no other expenses and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Medical Services Provider at all project meetings reasonably deemed necessary by the City; Medical Services Provider shall not be entitled to any additional compensation for attending said meetings.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Medical Services Provider wishes to receive payment, no later than the first (1st) working day of such month, Medical Services Provider shall submit to the City in the form approved by the City's Administrative Services General Manager, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.3, City shall pay Medical Services Provider for all expenses stated thereon which are approved by City pursuant to this Agreement no later than the last working day of the month.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control including other governmental entities. Accordingly, if there is an unanticipated reduction in funding, the City has the option to void the whole Agreement or to amend the Agreement to solely reflect the unanticipated reduction in funding, which amendment must be agreed to in writing by Medical Services Provider.

3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Medical Services Provider shall commence the services pursuant to this Agreement on or about May 1, 2008, and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D", if any, and incorporated herein by this reference.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Medical Services Provider, including, but not restricted to, acts of God or of the public



enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Medical Services Provider shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Medical Services Provider be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Medical Services Provider's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term & Extended Term(s). Unless earlier terminated in accordance with Section 7.8 of this Agreement, this Agreement shall continue in full force and effect from and after May 1, 2008 and for three (3) consecutive calendar years thereafter. City reserves the right, in its sole and unfettered discretion, to extend the Term of this Agreement for up to a maximum of two (2) one-years extended terms (an "Extended Term"). City shall exercise its right to extend the Term of the Agreement by providing Medical Services Provider with written notice of its intent to extend the Term or any Extended Term of this Agreement not less than thirty (30) calendar days prior to the expiration of the Term or any Extended Term of this Agreement.

4.0 COORDINATION OF WORK

4.1 Representative of Medical Services Provider. The following principals of Medical Services Provider are hereby designated as being the principals and representatives of Medical Services Provider authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Robert Teruel
Western Medical Group, Inc.
21081 South Western Avenue
Suite 150
Torrance, California 90501
(310) 782-3333 Office
(310) 212-6230 Fax

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Medical Services Provider and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by Medical Services Provider without the express written approval of City.

4.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Medical Services Provider's responsibility to assure

that the Contract Officer is kept informed of the progress of the performance of the services and the Medical Services Provider shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Medical Services Provider, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Medical Services Provider shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Medical Services Provider, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Medical Services Provider or any surety of Medical Services Provider of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Medical Services Provider, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Medical Services Provider's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Medical Services Provider shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Medical Services Provider shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Medical Services Provider in its business or otherwise or a joint venturer or a member of any joint enterprise with Medical Services Provider.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Medical Services Provider shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000 general aggregate.



(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000 per accident, combined single limit. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Professional Liability Insurance. A policy of professional liability insurance in an amount not less than \$3,000,000 per claim with respect to loss arising from the actions of Medical Services Provider performing professional services hereunder on behalf of the City.

(e) Additional Insurance. Policies of such other insurance, including professional liability insurance, as may be required in the Special Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Medical Services Provider shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Medical Services Provider has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Medical Services Provider agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Medical Services Provider may be held responsible for the payment of damages to any persons or property resulting from Medical Services Provider's activities or the activities of any person or persons for which Medical Services Provider is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event the Medical Services Provider subcontracts any portion of the work in compliance with Section 3.3 of this Agreement, the contract between the Medical Services Provider and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Medical Services Provider is required to maintain pursuant to this Section 5.1



5.2 Indemnification. Medical Services Provider agrees to indemnify the City, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of Medical Services Provider, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the negligent acts or omissions of Medical Services Provider hereunder, or arising from Medical Services Provider's negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the City, its officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents or employees, who are directly responsible to the City, and in connection therewith:

(a) Medical Services Provider will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Medical Services Provider will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Medical Services Provider hereunder; and Medical Services Provider agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Medical Services Provider for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Medical Services Provider hereunder, Medical Services Provider agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

6.0 RECORDS AND REPORTS

6.1 Reports. Medical Services Provider shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Medical Services Provider hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Medical Services Provider agrees that if Medical Services Provider becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Medical Services Provider is providing design services, the cost of the project being designed, Medical Services Provider shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Medical Services Provider is providing design services, the estimated increased or decreased cost estimate for the project being designed.



6.2 Records. Medical Services Provider shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All reports, records, documents and other materials prepared by Medical Services Provider, its employees, subcontractors and/or agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Medical Services Provider shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Medical Services Provider will be at the City's sole risk and without liability to Medical Services Provider, and the City shall indemnify the Medical Services Provider for all damages resulting therefrom. Medical Services Provider may retain copies of such documents for its own use. Medical Services Provider shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Medical Services Provider fails to secure such assignment, Medical Services Provider shall indemnify City for all damages resulting therefrom.

6.4 Release of Documents. The reports, records, documents and other materials prepared by Medical Services Provider in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Medical Services Provider covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not



be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's or the Medical Services Provider's right to terminate this Agreement without cause pursuant to Section 7.8.

7.3 Retention of Funds. Medical Services Provider hereby authorizes City to deduct from any amount payable to Medical Services Provider (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Medical Services Provider's acts or omissions in performing or failing to perform Medical Services Provider's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Medical Services Provider, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Medical Services Provider to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages. Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Medical Services Provider and its sureties shall be liable for and shall pay to the City the sum of Zero (\$0.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Medical Services Provider any accrued liquidated damages.

7.8 Termination Prior to Expiration of Term. This Section shall govern any termination of this Agreement except as specifically provided in the following Section for



termination for cause. The City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Medical Services Provider, except that where termination is due to the fault of the Medical Services Provider, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Medical Services Provider reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Medical Services Provider may determine. Upon receipt of any notice of termination, Medical Services Provider shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Medical Services Provider has initiated termination, the Medical Services Provider shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Medical Services Provider has initiated termination, the Medical Services Provider shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Medical Services Provider. If termination is due to the failure of the Medical Services Provider to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Medical Services Provider shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Medical Services Provider for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Medical Services Provider, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Medical Services Provider or to its successor, or for breach of any obligation of the terms of this Agreement.



8.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Medical Services Provider warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. When requested by the Contract Officer, prior to the City's execution of this Agreement, Medical Services Provider shall provide the City with an executed statement of economic interest.

8.3 Covenant Against Discrimination. Medical Services Provider covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Medical Services Provider shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF CARSON, 701 East, Carson Street, CARSON, California 90745, and in the case of the Medical Services Provider, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

9.4 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its

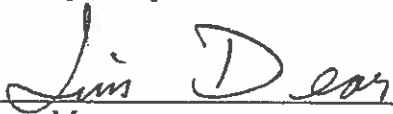
invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.5 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement to be effective May 1, 2008.

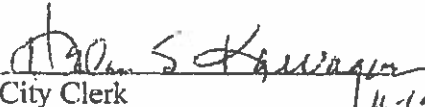
CITY:

CITY OF CARSON,
a municipal corporation



Mayor

ATTEST:



City Clerk 11-14-08

APPROVED AS TO FORM:



City Attorney

[SIGNATURES CONTINUE ON NEXT PAGE]

MEDICAL SERVICES PROVIDER:

WESTERN MEDICAL GROUP,

a Corporation

By: Robert Teruel
Name: ROBERT TERUEL
Title: CLIENT RELATIONS MGR

Address: 21081 WESTERN AVE
TORRANCE, CA 90501

By: Gary B Barlow
Name: GARY B BARLOW
Title: PRESIDENT / CEO

Address: 21081 WESTERN AVE #150
TORRANCE, CA 90501

[END OF SIGNATURES]

State of California, County of Los Angeles

Subscribed and sworn to (or affirmed)

Before me this 4 day of NOVEMBER 2008

By Robert Teruel, Gary B Barlow

proved to me on

The basis of satisfactory evidence to be the

Person(s) who appeared before me.

Signature [Signature]

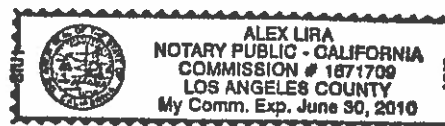


EXHIBIT "A"

SCOPE OF SERVICES

A-1. City shall, on an as-needed basis, refer to Medical Services Provider employees or prospective employees of City for the purposes of Medical Services Provider rendering one or more of the scope of services set forth hereinafter, either as requested by City or as medically indicated in the professional judgment of Medical Services Provider:

- Perform such medical duties, functions, and services as requested by City.
- Perform pre-employment physical examination for maintenance, office and executive positions and report results to City in a timely manner.
- Perform pre-employment drug screen testing.
- Perform Department of Motor Vehicle ("CalDMV") physical examinations in compliance with CalDMV rules and regulations.
- Perform Department of Transportation ("CalDOT") random drug and alcohol testing in compliance with the CalDOT rules and regulations.
- Perform fitness for duty physical examinations.
- Provide assessment and treatment of employees' work related injuries/illnesses including physical therapy.
- Provide medical reports and invoices for payment within the time frame of the California Code of Regulations, Title 8, Section 978.5.
- Refer to indicated class specification when conducting pre-employment and fitness for duty physical examinations, ADA and other related examinations as may be required by the city.
- Provide detailed work restrictions when returning injured employees to work with limitations (per class specifications).
- Have a physician available to discuss all examinations and treatment of work related injury/illness.
- Meet with city representatives and the city's third party administrator for Workers Compensation on an as needed basis.
- Fully cooperate with City on any matters arising out of a workers compensation appeals board hearing or related lawsuit.
- Work closely with City to return the employee to full or light duty assignment at the earliest possible time after the work-related injury.

EXHIBIT "B"

SPECIAL REQUIREMENTS

B-1. City hereby waives Section 7.7 of the Agreement.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

C-1. Medical Services Provider shall be compensated for the following specific medical services and at the specified fee, to be rendered on a per-patient basis and as requested by City:

C-1.1 Department of Motor Vehicles Examination Cost \$25.00

Basic Physical Examination, including:
Medical/Occupational Histories
Height
Weight
Temperature
Pulse
Respiration
Blood Pressure
Visual Acuity
Color vision
Peripheral vision
Urinalysis
Completion of all required forms by DMV

Drug Screening (panel 10) Cost \$15.00

C-1.2 Maintenance Physical Examination Cost \$125.00

Basic Physical Examination – Pre-Employment, including:
Medical/Occupational Histories
Height
Weight
Temperature
Pulse
Respiration
Blood Pressure
Visual Acuity
Urinalysis
Pulmonary Function Test
CBC
Chest X-Ray, 2 views
Back Assessment Lift Test performed by Registered
Physical Therapist
Audiogram

Drug Screening (panel 10) Cost \$15.00



C-1.3 Office Personnel

Cost \$35.00

Basic Physical Examination – Pre-Employment, including:
Medical/Occupational Histories
Weight
Height
Temperature
Pulse
Respiration
Blood Pressure
Visual Acuity
Urinalysis, Dipstick
CBC

Drug Screening (panel 10)

Cost \$15.00

C-1.4. Custom Exccutive Physical

Cost \$165.00

Basic Physical Examination, including:
Medical/Occupational Histories
Height
Weight
Temperature
Pulse
Respiration
Blood Pressure
Visual Acuity
Urinalysis, Dipstick
CBC
SMA-23 (Chem Panel)
Chest X-Ray, 2 views
Pulmonary Function Test
EKG with interpretation and report
Hemocult

Drug Screening (panel 10)

Cost \$15.00

C-1.5. Early Childhood/Day Care Physical

Cost \$100.00

Basic Physical Examination – Pre-Employment, including:
Medical/Occupational Histories
Weight
Height
Temperature
Pulse
Respiration
Blood Pressure



Visual Acuity
Urinalysis, Dipstick
CBC
Back Assessment Lift Test
T.B. Skin Test
Chest X-Ray: 1 View – only if T.B. test is positive

Drug Screening (panel 10)

Cost \$15.00

C-1.6. Fitness For Duty

Cost \$135.00

Basic Physical Examination, including: Physician reviews,
Medical questionnaire, job description and any specific
physical demand for position.

Height

Weight

Ear

Nose

Throat

Heart Beat

Blood Pressure

Temperature

Visual Acuity

Urinalysis

CBC

Chest X-Ray, 4 views

Back evaluation by Registered Physical Therapist, if
requested by city. (Therapist to confirm lifting, bending,
twisting or stooping requirement of position.)

EKG (resting)

Drug Screening (panel 10)

Cost \$15.00

C-1.7.1. Hepatitis B Injection #1 Non-Injury Related

Cost \$65.00

C-1.7.2. Hepatitis B Injection #2 Non-Injury Related

Cost \$65.00

C-1.7.3. Hepatitis B Injection #3 Non-Injury Related

Cost \$65.00

C-1.7.8. Department of Transportation Random Drug Testing

Cost \$20.00

DOT Physical Exam
Evidentiary Breath Test
Federal Drug Screen Collection



EXHIBIT "D"

SCHEDULE OF PERFORMANCE

D-1. Medical Services Provider shall perform the services requested by City pursuant to the Scope of Services, Exhibit "A" herein, commencing on May 1, 2008, and on as as-requested basis thereafter for the entire Term or any Extended Term of this Agreement.

