

MASTER SERVICES AGREEMENT

This Master Services Agreement (this “Agreement”) is made and effective as of February 12, 2025 (the “Effective Date”), by and between the Tulare Local Healthcare District, a local healthcare district organized under the California Health and Safety Code (“District”), and Alpine Hospital Building Services, a California corporation (License No. A21104 (“Contractor”), each referred to as a “Party”, and collectively as the “Parties.”

RECITALS

WHEREAS, District is engaged in, among other things, the business of owning certain real property (collectively, the “Premises”), and providing certain HCAI Class A Inspection services, related to the provision of healthcare services within portions of the County of Tulare;

WHEREAS, District desires to obtain specific services (described hereinbelow) on a non-exclusive basis regarding the business operations of District from an independent contractor skilled in performing such services; and

WHEREAS, Contractor represents and warrants that it is skilled in performing such services (such services being those performed by Contractor in Contractor’s usual line of business).

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, District and Contractor agree as follows:

AGREEMENT

1. Services.

1.1 Statement of Services. Contractor shall perform the work and services (collectively, the “Services”) specified in each Statement of Services (“SOW”), attached hereto and incorporated herein as Exhibit A, in accordance with the terms and conditions of this Agreement. Any terms and/or conditions in Contractor’s quotation forms, sales forms, memoranda of understanding, statements of intent, proposals, terms and conditions, terms of service, acknowledgements, invoices, click-through agreements, or communications (collectively, the “Ancillary Documents”) inconsistent with the provisions of this Agreement are of no force or effect, and to the extent such provisions in said Ancillary Documents are inconsistent with this Agreement, this Agreement controls.


1.2 No Commitment; Non-Exclusivity. Contractor hereby acknowledges and agrees that: (a) this Agreement does not confer any exclusive rights upon Contractor; (b) District may procure any goods or services, including the Services, from any third party without giving notice to or obtaining the consent of Contractor; and (c) except as expressly set forth in the applicable SOW, nothing in this Agreement constitutes a guarantee by District of any minimum amount of payments, income, revenue or other economic benefit in any form whatsoever.

1.3 No Authority. In performing Contractor's obligations and exercising Contractor's rights under this Agreement, Contractor acts hereunder as an independent contractor and not as an agent or employee of District. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of District. Contractor understands and agrees that Contractor and all of Contractor's employees shall not be considered officers, employees, agents, partner, or joint venture of District, and are not entitled to benefits of any kind or nature normally provided employees of District and/or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Workers' Compensation. Contractor shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Contractor's employees. Contractor may not make any representation, promise or agreement on behalf of District, or otherwise bind or commit District to any agreement or contract.

1.4 Commencement/Substantial Completion/Inspection. Contractor shall perform the Services as soon as practicable following the receipt of a notice to proceed, in any form or through any medium, from District. Contractor shall achieve Substantial Completion as set forth in the SOW. All Services performed by Contractor and all material provided by Contractor shall be subject to inspection by District, but such right of inspection of the Services or materials shall not relieve Contractor of responsibility for the proper performance of the Services or provision of the materials to the extent provided under this Agreement. Contractor shall provide to District or District's designee access to Contractor's facility or facilities where the Services are being performed during business hours, and subject to compliance with site safety rules and policies. District shall ensure that the inspections do not affect the normal performance of this Agreement unless Services are not in compliance with this Agreement. As used herein, "Substantial Completion" shall mean satisfaction or waiver of all of the conditions for completion of that portion of the Services applicable to a particular SOW.

2. Payment.

2.1 Fees. The fees payable for Contractor's performance of the Services (the "Fees") will be as set forth in the applicable SOW; *provided, however*, that the Fees shall in no event exceed the equivalent of 1,000 hours without written authorization by District.


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2.2 Expenses. Contractor hereby acknowledges and agrees that Contractor is solely responsible for the payment of all ordinary and necessary expenses associated with Contractor's performance of the Services, and Contractor may not seek reimbursement from District for such ordinary and necessary expenses. Notwithstanding the immediately preceding sentence, District shall reimburse Contractor for extraordinary out-of-pocket expenses submitted to District in writing that are pre-approved by District in writing.

2.3 Invoices. Contractor shall invoice the Fees to District in accordance with the terms and conditions of the applicable SOW. Contractor hereby acknowledges and agrees that it will not receive, and hereby irrevocably waives the right to demand, any fees of any nature whatsoever, except for the Fees and any expenses to which it may be entitled pursuant to Section 2.2 of this Agreement.

2.4 Payment. Subject to Contractor's compliance with the terms and conditions of this Agreement, each correct invoice delivered by Contractor to District pursuant to Section 2.3 of this Agreement will be payable within (30) days following the date of District's receipt of such invoice. District's payment of an invoice will not constitute a waiver of any of District's rights at law, in equity, under contract (including, without limitation, this Agreement) or otherwise (all of which District hereby expressly reserves). All amounts payable by District to Contractor are subject to all claims and defenses of District, and District may setoff and deduct against any such amounts, all present and future indebtedness of Contractor to District.

3. Equipment/Labor.

3.1 Contractor's Equipment. Contractor shall use and pay for Contractor's own materials, tools, equipment, and administrative support services necessary for Contractor to perform the Services. Contractor shall, to the extent practicable, keep Contractor's tools, equipment, materials, drawings and the like separate from the property of District. Contractor may not remove any property of District without District's prior written consent, in its sole discretion. Contractor is solely responsible for the safekeeping of Contractor's property stored or used in conjunction with providing the Services, and Contractor hereby waives any claim against District for damages, of any kind or nature, arising from the theft of or damage to said property, wherever stored. Contractor agrees that all materials and equipment to be supplied or used by Contractor or its subcontractors in the performance of its obligations under this Agreement shall be in good operating condition and fit for the use(s) for which they are employed by Contractor or its subcontractors. Such materials and equipment shall at all times be maintained, inspected and operated pursuant to Industry Standards and as required by Applicable Laws (defined below). Contractor further agrees that all licenses, permits, registrations and certificates or other approvals required by Applicable Law (defined below) or any Governmental Authorities (defined below) will be procured and maintained for such materials and equipment at all times during the use of the same by Contractor or its subcontractors in the performance of any of Contractor's obligations under this Agreement. As used herein, "equipment" shall mean (a) all materials, supplies, apparatus, machinery, equipment, parts, tools, components, instruments, appliances, spare parts and appurtenances thereto that are required for prudent design, construction or operation any installed system or improvement to the Premises as required by the Services in accordance with Industry Standards and (b) all materials, supplies, apparatus, machinery, equipment, parts, tools, components, instruments, appliances, spare parts and appurtenances thereto described in, required by, reasonably inferable from or incidental to the Service or the work to be performed under any SOW. As used herein, "Industry Standards" shall mean those standards of care and diligence normally practiced by contractors in performing services of a similar nature in jurisdictions in which the Services will be performed and in

accordance with good construction practices and other standards established for such Services.

3.2 District's Equipment. Notwithstanding Section 3.1, any and all materials, tools or equipment furnished to Contractor by District in connection with this Agreement are bailed to Contractor for Contractor's benefit, and title thereto shall at all times remain in the name of District. Contractor shall pay for all such materials, tools and equipment spoiled or damaged by it or not otherwise satisfactorily accounted for by Contractor.

3.3 Labor. Contractor shall supervise and direct the Services, using Contractor's best skill and attention. Contractor shall be solely responsible for all methods, techniques sequences and procedures, and shall coordinate all portions of the Services. District will deal only through Contractor, who shall be responsible for the proper execution of the entire Services. Contractor shall perform such Services with the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time in the same locality. Contractor agrees to use and agrees that it shall require each of its subcontractors to use, only personnel who are qualified and properly trained and who possess every license, permit, registration, certificate or other approval required by Applicable Law or any Governmental Authority to enable such persons to perform the Services involving any part of Contractor's obligations under this Agreement. Contractor shall be responsible for all Contractor labor-related delays or disruption of the progress of the Services that result from Contractor's acts or omissions. Contractor shall promptly take any and all reasonable steps that may be available in connection with the resolution of violations of collective bargaining agreements or labor jurisdictional disputes. Contractor shall advise District promptly in writing of any actual or threatened labor dispute of which Contractor has knowledge that might materially affect the performance of the Services by Contractor or by any of its subcontractors. Contractor shall not be responsible for labor disputes, including union related strikes, walkouts, and lockouts outside of Contractor's control.

4. Term. The term of this Agreement ("Term") will commence on the Effective Date and, unless terminated sooner by either Party in accordance with the terms and conditions of this Agreement, will expire upon the date the Services set forth on any SOW, as may be extended from time to time or supplemented by a new SOW for the same Services, are completed to District's sole satisfaction.

5. Termination.

5.1 Termination for Curable Breaches. In the event that a Party defaults on any of its obligations or breaches any of its representations, warranties or covenants in this Agreement and such default or breach is not cured within fifteen (15) days following receipt of written notice of such breach from the non-breaching Party, then the non-breaching Party may terminate this Agreement and/or any or all SOWs upon written notice to the breaching Party.

5.2 Termination for Incurable Breaches. In addition to District's rights pursuant to Section 5.1 of this Agreement, in the event that Contractor defaults on any of Contractor's obligations or breaches any of Contractor's representations, warranties or covenants

contained in this Agreement, including, without limitation, as set forth in Sections 3, 6 and/or 8, then District may, without Contractor having the opportunity to cure, immediately terminate this Agreement and/or any or all SOWs upon written notice to Contractor.

5.3 Termination for Convenience. In addition to District's rights under Sections 5.1 and 5.2 of this Agreement, District may, in District's unilateral and absolute discretion, with or without cause, or solely for the convenience of District, terminate this Agreement and/or any or all SOWs for any or no reason upon fifteen (15) days' prior written notice to Contractor.

6. Confidentiality.

6.1 Confidential Information Defined. "Confidential Information" means the terms and conditions of this Agreement and any and all data, as well as any financial, technical and non-technical, business and other information, stored or conveyed in any format or upon any medium, disclosed, delivered or otherwise made available, directly or indirectly, by District to Contractor, including, without limitation, business plans, analyses, forecasts, predictions, projections, intellectual property, trade secrets, contracts, proposals, documents, mechanical and electronic design drawings, specifications, software, technical or engineering data, test procedures, schematics, writings, materials, methods, operations, procedures, know-how, financial information, financial statements, summaries, reports, communications and other business data and other information or data, whether oral or written, acquired, devised or developed in any manner from District's personnel or files, or as a direct or indirect result of District's actions or performance under this Agreement; *provided, however*, Confidential Information does not include information: (a) that becomes generally available to the public through no wrongful act of Contractor; (b) already lawfully in the possession of Contractor and not subject to an existing agreement of confidentiality between the Parties; (c) received from a third party without restriction and without breach of this Agreement; (d) independently developed by Contractor without reference to the Confidential Information of District; or (e) released to the extent necessary to comply with the binding order of a government agency or a court so long as prior to any such release Contractor (i) provides District with as much information and notice permitted under the circumstances, so that District may seek a protective order or other appropriate remedy and (ii) used commercially reasonable efforts to limit the disclosure of such Confidential Information. Notwithstanding any provision herein contained, the lack of identifying information indicating the confidential or proprietary nature of disclosed information shall in no circumstances be construed as meaning that the disclosed information is not considered confidential or proprietary by District.

NOTWITHSTANDING ANYTHING IN THIS ARTICLE 6 TO THE CONTRARY, CONTRACTOR ACKNOWLEDGES THAT DISTRICT IS A PUBLIC AGENCY AND, AS SUCH, IS REQUIRED UNDER CALIFORNIA LAW TO DISCLOSE THIS AGREEMENT (INCLUDING ANY SOW PROVIDED BY CONTRACTOR) TO THE PUBLIC.

6.2 Confidentiality Obligations. Contractor hereby covenants that it will not, either during or after the Term, except as directed or authorized by District in writing: (a)

disclose any Confidential Information of District to any third party (other than its respective directors, officers, members, managers, employees, auditors, consultants, financial advisors, lenders, attorneys and existing and potential third party financial investors, in each case in their capacity as such and on a need-to-know basis, and in the case of third-parties, subject to a confidentiality agreement between the relevant Party and such third party); or (b) use any Confidential Information of District for its benefit or the benefit of any third party.

6.3 Return of Records. Upon the expiration or sooner termination of this Agreement, Contractor shall: (a) deliver to District within a reasonable period of time (and in no event more than sixty (60) days following the expiration or sooner termination of this Agreement) all Confidential Information provided by District that is in the possession, custody or control of Contractor; and (b) cause an officer of Contractor to certify in writing to District that Contractor has complied with its obligations pursuant to this Section 6.3. Promptly following District's request (and in no event more than sixty (60) days following the expiration or sooner termination of this Agreement), Contractor shall, at its election, either destroy or return all of the Confidential Information of District that is in the possession, custody, or control of Contractor.

6.4 Security and Access. In addition to and without limitation to the preceding provisions of this Article 6, at all times during the Term, Contractor shall: (a) secure and otherwise protect the Confidential Information from and against any unauthorized access; (b) secure, protect, transmit, dispose of and otherwise use the Confidential Information and perform the Services in accordance with District's then-current information technology standards, rules and policies; and (c) secure, protect, transmit, dispose of and otherwise use the Confidential Information in accordance with all applicable Laws (defined below). For the avoidance of doubt, Contractor's compliance with the terms and conditions of this Section 6.4 will not relieve Contractor of any of its obligations under any provision of this Agreement (including, without limitation, Contractor's obligations pursuant to Section 11 of this Agreement).

6.5 Security Breaches. In the event that any third party gains access to any Confidential Information in the possession, custody, or control of Contractor without the consent of District (each, a "Security Breach"), then Contractor shall notify District of such Security Breach within twenty-four (24) hours following the occurrence of such Security Breach. Promptly following a Security Breach, Contractor shall: (a) conduct an audit to determine the cause of the Security Breach; (b) provide District with a written report describing in reasonable detail the cause of the Security Breach; and (c) take all actions necessary to prevent future Security Breaches and describe such actions to District in writing. For the avoidance of doubt, Contractor's compliance with the terms and conditions of this Section 6.5 will not relieve Contractor of any of its obligations under any provision of this Agreement (including, without limitation, Contractor's obligations pursuant to Section 11 of this Agreement).

7. Subcontracting. Contractor may not transfer or assign any of Contractor's rights and/or obligations under this Agreement, in whole or in part, nor may Contractor subcontract to any third party any part or all of the performance of the Services hereunder, without District's prior written consent. Notwithstanding to foregoing, Contractor is responsible and liable for any subcontractor's acts or omissions (including, without limitation, the performance of Services

hereunder and compliance with the terms and conditions of this Agreement on the same basis as if such act or omission had been the act or omission of Contractor). District and Contractor hereby acknowledge that certain of the Services will be provided by subcontractor, and that Contractor shall be responsible for management and oversight of subcontractor as required to render the Services.

8. Representations, Warranties and Covenants.

8.1 Mutual Representations and Warranties. Each Party hereby represents, warrants and covenants each of the following: (a) it is duly organized and validly existing under the laws of its state of organization (if applicable); (b) it has, and at all times during the Term will maintain, full right, power and authority to execute this Agreement and to perform its obligations pursuant to this Agreement; (c) to its knowledge, this Agreement constitutes a valid, legal and binding obligation, enforceable in accordance with the terms hereof; (d) as of the Effective Date, there are no actions, suits or proceedings pending before any court or administrative body or arbitral tribunal that are reasonably likely to adversely affect its ability to meet and carry out its obligations under this Agreement; (e) the execution and delivery of this Agreement has been duly authorized by all requisite corporate action, and does not contravene any provision of, or constitute a default under, any other agreement or instrument to which it is a party or its property may be bound; and (g) neither its execution of this Agreement nor its performance of its obligations under this Agreement constitutes a breach of any agreement to which it is a party or otherwise violate the rights of any third party.

8.2 Contractor's Additional Representations and Warranties/Compliance with Applicable Law. In addition to its other representations, warranties and covenants in this Agreement, Contractor hereby further represents, warrants and covenants each of the following: (a) Contractor holds the proper certification(s) and/or license(s) as required by the Laws to, in all respects, lawfully perform the Services; (b) Contractor shall perform its obligations and any and all services contemplated by this Agreement in accordance with the standard set forth in California Code of Regulations, Title 16, Article 9, §160(b); (c) as applicable, materials and goods used or furnished by Contractor will be new, of first-class quality, merchantable, conform to District's written specifications (including, without limitation, the specifications set forth in a SOW) and free from any security interest or other claim, lien or encumbrance of any kind whatsoever and District's use thereof will not violate any law; (d) Contractor has read this Agreement in its entirety, it has given its independent counsel the opportunity to review this Agreement or decline such review and it understands fully each and every one of the terms and conditions set forth in this Agreement; and (e) Contractor shall perform its obligations and any and all services and work contemplated by this Agreement in accordance with each of (i) the terms and conditions of this Agreement, and (ii) all applicable laws, statutes, regulations, rules, or orders (collectively, the "Applicable Laws"), whether promulgated, enacted or enforced by any local, municipal, state or federal authority (collectively, the "Governmental Authorities"), including, without limitation, as follows:

8.2.1 California Labor Code. Contractor shall comply with all applicable provisions of the California Labor Code, Division 2, Part 7, Chapter 1, Articles 1–5,

including (without limitation) the payment of the general prevailing per diem wage rates for public work projects as required by law. In addition, Contractor and each subcontractor shall comply with Chapter 1 of Division 2, Part 7 of the California Labor Code, commencing with Section 1720, and including Sections 1735, 1771 *et seq.* (including 1776(a), 1776(b)(3), 1776(d), and 1776(g), 1777.5 and 1777.6), Sections 1777.5 and 1777.6, and Sections 1813 and 1815. In accordance with this Section 8.2(e)(ii)(A), Contractor shall execute the Prevailing Wage and Related Labor Requirements Certification set forth and incorporated herein as Exhibit B.

8.2.2 Davis-Bacon Act. If Services under this Agreement are financed partially with federal funds, to the extent required by such financing, Contractor shall also comply with all applicable provisions of the Davis-Bacon Act (40 U.S.C. 3141–48). Specifically, those provisions found at Title 29 CFR 5.5 requiring Contractor to pay the laborers and mechanics employed on the Project, on a weekly basis, no less than the wages and benefits that are prevailing in the area as determined by the Secretary of Labor.

8.2.3 Certified Payroll Records. This Agreement is subject to the requirements of Subchapter 4.5 of Chapter 8 of Title 8 of the California Code of Regulations (CCR). Contractor and all subcontractors must furnish certified payroll records to the Department of Industrial Relations' Compliance Monitoring Unit at least monthly, or within ten (10) days of any separate request by the Compliance Monitoring Unit, in the manner required by the Compliance Monitoring Unit.

8.2.4 Payment Withholding. Pursuant to 8 CCR 16463(e), District may withhold contract payments when payroll records are delinquent or inadequate or as required by the Labor Commissioner. The amount withheld shall be limited to those payments due or estimated to be due to Contractor or subcontractor whose payroll records are delinquent or inadequate, plus any additional amount that the Labor Commissioner has reasonable cause to believe may be needed to cover a back wage and penalty assessment against Contractor or subcontractor whose payroll records are delinquent or inadequate; provided that Contractor shall be required in turn to cease all payments to a subcontractor whose payroll records are delinquent or inadequate until the Labor Commissioner provides notice that the subcontractor has cured the delinquency or deficiency

8.2.5 Site Access. Contractor shall provide site access to Department of Industrial Relations personnel upon request.

8.2.6 Prevailing Wage Notice. On each job site that is subject to compliance monitoring and enforcement by the Department of Industrial Relations, Contractor shall post at appropriate, conspicuous, weatherproof points at the Premises the Notice of Projects Subject to Requirements of Subchapter provided in 8 CCR 16451(d).

8.2.7 Prevailing Rate Penalty. Contractor shall, as a penalty, forfeit not less than Two Hundred Dollars (\$200.00) to District for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the Department of Industrial Relations for such work or craft in which such worker is employed Contractor or by

any subcontractor, of any tier, in connection with the Services. Pursuant to Labor Code §1775, the difference between prevailing wage rates and the amount paid to each worker each calendar day, or portion thereof, for which each worker paid less than the prevailing wage rate, shall be paid to each worker by Contractor.

9. Insurance. Contractor warrants and acknowledges, and District agrees, that Contractor is only required to and shall carry insurance in the designated amounts and for the designated categories as set forth on Exhibit C, attached hereto and incorporated herein, but ONLY insofar as each or any of subsections (a) through (f) of Exhibit C are marked “REQUIRED” and initialed by District and Contractor. Notwithstanding any provision in this Section 9 to the contrary, in the event any category set forth on Exhibit C is not initialed by both Parties and/or is not marked “REQUIRED”, Contractor shall be required to, and covenants and agrees to, carry such insurance policies as are commercially reasonable for a similarly situated CONTRACTOR providing services generally equivalent to the Services. ONLY SUBSECTIONS ON EXHIBIT C MARKED “NOT REQUIRED” AND INITIALED BY BOTH DISTRICT AND CONTRACTOR SHALL PROVIDE CONCLUSIVE EVIDENCE OF THE ABSENCE OF CONTRACTOR’S SPECIFIC OR GENERAL INSURANCE OBLIGATIONS FOR A PARTICULAR CATEGORY OF INSURANCE.

9.1 Policy Types and Coverage. Contractor covenants and agrees that it shall, at all times during the Term and at Contractor’s sole cost and expense, maintain the insurance policies marked accordingly on Exhibit C.

9.2 Other Policy Terms. Each insurance policy described in Exhibit C hereof must: (a) be in a form acceptable to District, in District’s sole and absolute discretion; (b) provide that the proceeds of the insurance policy are payable to District; (c) be maintained with an insurer with an A.M. Best Company, Inc. rating of at least A-, Financial Class Size VII; (d) provide it cannot be cancelled or modified without thirty (30) days’ advance written notice to District; (e) be primary and noncontributory to any insurance maintained by District; (f) contain a waiver of subrogation against District; and (g) have an extended reporting period or “tail” of not less than two (2) years following the expiration or sooner termination of this Agreement if such insurance policy is a “claims-made” insurance policy.

9.3 Certificates; No Waiver. Immediately upon District’s request, Contractor shall deliver to District original certificates of insurance evidencing the insurance policies required by Sections 9.1 and 9.2 of this Agreement. For the avoidance of doubt, this Section 9 does not waive, modify, or otherwise alter Contractor’s obligations pursuant to any other provision of this Agreement (including, without limitation, Section 11 of this Agreement).


10. Limitation of Liability/Dispute Resolution.

10.1 Protective Measures. Contractor shall be responsible for all injury or damage to individuals or property that may occur as a result of its fault or negligence, or that of its subcontractors, in connection with the performance of the Services. Contractor shall take all

reasonably necessary precautions for the safety of its employees and any and all other individuals present on the Premises to prevent accidents or injury to individuals on, about, or adjacent to the Premises where the Services are being performed. Contractor shall keep the relevant part of the Premises and surrounding areas free from accumulation of waste materials or rubbish caused by the Services, and at the end of each day that Contractor performs the Services, Contractor shall remove any debris, store such debris in containers at its sole expense, and leave the Premises in a clean and orderly condition. Upon completion of the Services, Contractor shall remove from the relevant part of the Premises all waste materials, rubbish, debris, debris containers, tools, equipment, machinery and surplus materials from the Premises and leave the Premises in a clean and orderly condition. Contractor will conduct a full and complete visual inspection of each relevant Premises, including (a) the readily apparent surface conditions of any areas where the Services are to be performed; (b) all staging, storage, delivery, and other areas necessary to perform the Services, and (c) ingress to and egress from the relevant portion of the Premises for all supplies, personnel and equipment.

10.1 No Obligation. Following the expiration or sooner termination of this Agreement for any reason or no reason at all, District will have no obligation, beyond payment for work previously performed in accordance with this Agreement, to Contractor whatsoever.

10.2 Limitation. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY EXEMPLARY, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR OTHER INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY PAYMENT FOR LOST BUSINESS OR OTHER ECONOMIC OPPORTUNITIES, FUTURE PROFITS, LOSS OF GOODWILL, REIMBURSEMENT FOR EXPENDITURES EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, OR INVESTMENTS MADE OR COMMITMENTS ENTERED INTO EXCEPT AS SET FORTH IN THIS AGREEMENT, CREATION OF CLIENTELE, ADVERTISING COSTS, TERMINATION OF EMPLOYEES OR EMPLOYEES' SALARIES, OVERHEAD OR FACILITIES INCURRED OR ACQUIRED BASED UPON THE BUSINESS DERIVED OR ANTICIPATED UNDER THIS AGREEMENT), WHETHER FORESEEABLE OR NOT, CLAIMS UNDER TERMINATION, PROTECTION, NON-RENEWAL OR SIMILAR LAWS, FOR ANY CAUSE WHATSOEVER; *PROVIDED, HOWEVER,* THIS SECTION 10.2 HAS NO FORCE OR EFFECT WITH RESPECT TO ANY CLAIM FOR INDEMNIFICATION PURSUANT TO SECTION 11 OF THIS AGREEMENT OR WITH RESPECT TO ANY BREACH OF SECTION 6 OF THIS AGREEMENT. IN NO EVENT SHALL ANY PROJECTIONS OR FORECASTS BY DISTRICT BE BINDING AS COMMITMENTS, COVENANTS, WARRANTIES OR ENFORCEABLE PROMISES BY DISTRICT.



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10.3 Dispute Resolution.

10.3.1 Good Faith Negotiations. In the event that any question, dispute, difference or claim arises out of or in connection with this Agreement, including any question regarding its existence, validity, performance or termination (each, a “Dispute”), which either Party has notified to the other, senior management personnel from both Contractor and District shall meet and diligently attempt in good faith to resolve the Dispute for a period of thirty (30) days following one Party’s written request to the other Party for such a meeting. If, however, either Party refuses or fails to so meet, or the Dispute is not resolved by negotiation, the provisions of Sections 10.3.2 and 10.3.3 shall apply to the extent applicable to the Dispute.

10.3.2 Non-Binding Mediation. If the Dispute remains unresolved, a Party may require that a non-binding mediation take place with a mediator mutually chosen by District and Contractor. If District and Contractor are unable to agree on a mediator, then either may request that the American Arbitration Association (the “AAA”) to appoint a mediator. The mediator’s fee and expenses shall be paid one-half by District, and one-half by Contractor. In any such mediation, representatives of the Parties with authority to resolve the dispute shall meet for at least three hours with mediator. The obligation to mediate shall not be binding upon any Party with respect to (i) requests for preliminary injunctions, temporary restraining orders, specific performance, or other procedures in a court of competent jurisdiction to obtain interim relief deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution by mediation of the actual Dispute; (ii) actions to collect payments not subject to bona fide Dispute; or (iii) claims involving third parties who have not agreed to participate in the mediation of the Dispute. The provisions of this Section 10.3 shall survive any termination of this Agreement.

10.3.3 Attorneys’ Fees. The prevailing Party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable attorneys’ fees and court costs, including expert witness fees, expended in connection with such an action from the other Party.


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11. Indemnification.

11.1 Indemnification by District. District shall indemnify, defend and hold Contractor and its officers, directors, employees, agents and shareholders, and its assigns, heirs, successors and legal representatives harmless from and against, any and all Claims (as that term is defined below in this Section 11.1) incurred in connection with, arising out of or relating to: (a) District’s gross negligence or willful misconduct in performing its obligations pursuant to this Agreement; or (b) the breach of any of District’s representations, warranties, covenants and/or other obligations pursuant to this Agreement. “Claims” means, collectively, any and all costs, losses, liabilities, damages, lawsuits, judgments, claims, actions, penalties, fines, and expenses

(including, without limitation, interest, penalties, reasonable attorneys' fees, and all monies paid in the investigation, defense, or settlement of any or all of the foregoing) incurred in connection with, arising out of or relating to any claim, demand, lawsuit, or action brought by a third party.

11.2 Indemnification by Contractor. Contractor shall indemnify, defend and hold District and its present and future governing board members, administrators, officers, directors, employees, staff, agents and shareholders, and its assigns, heirs, successors and legal representatives harmless from and against, any and all Claims to the extent that such Claims arise out of: (a) Contractor's negligence or willful misconduct; (b) the breach of any of Contractor's representations, warranties, covenants and/or other obligations pursuant to this Agreement; (c) the failure of Contractor to comply with any of the Laws; (d) any claim brought by Contractor's employees or any federal, state or municipal agency or entity related to compensation and/or damages arising out of the expiration or sooner termination of this Agreement; (e) any Claim alleging that the performance of the Services by Contractor and/or District's use of the Services violates or in any way infringes upon any third party's rights; and/or (f) any release of a Hazardous Material brought on to the Premises by Contractor, any disturbance or release of pre-existing Hazardous Materials caused by Contractor's sole negligence, provided District made Contractor aware of such pre-existing Hazardous Materials, and any enforcement or compliance proceeding commenced by or in the name of any Governmental Authorities because of an alleged, threatened or actual violation of any Applicable Laws by Contractor. As used herein, "Hazardous Material" shall mean oil or petroleum and petroleum products, asbestos and any asbestos containing materials, radon, polychlorinated biphenyl's ("PCBs"), urea formaldehyde insulation, lead paints and coatings, and all of those chemicals, substances, materials, controlled substances, objects, conditions and waste or combinations thereof which are now listed, defined or regulated in any manner by any federal, state or Applicable Laws. In no event shall the cost to defend charged to Contractor exceed Contractor's proportionate percentage of fault.

11.3 Indemnification Procedures.

11.3.1 Promptly after becoming aware of any Claim, the Party seeking indemnification (the "Indemnified Party") must give notice of the Claim to the other Party (the "Indemnifying Party"), accompanied by a copy of any written documentation regarding the Claim received by the Indemnified Party. The Indemnifying Party shall have the right to select counsel of the Indemnifying Party's choice, direct the litigation and negotiate a settlement; *provided, however*, any settlement will be subject to the approval of the Indemnified Party, such approval not to be unreasonably withheld, conditioned and/or delayed.

11.3.2 In the event that the Indemnifying Party: (a) fails to notify the Indemnified Party of the Indemnifying Party's intent to take any action within ten (10) days following receipt of a notice of a Claim (if such failure to notify materially prejudices the Indemnifying Party's rights or has a material, adverse impact on such Party's obligations hereunder); or (b) fails to proceed in good faith with the resolution of the Claim, then (i) the Indemnified Party may, with prior written notice to the Indemnifying Party and without waiving any rights to indemnification, defend or settle the Claim without the prior written consent of the Indemnifying Party and (ii) the Indemnifying Party shall reimburse the Indemnified Party on

demand for all damages incurred by the Indemnified Party in defending or settling such Claim.

12. Records. During the Term and for a period of three (3) years thereafter, Contractor shall keep and maintain at Contractor's principal place of business complete and accurate books and records of Contractor's performance or failure to perform under this Agreement and any payments, charges or other amounts of any nature whatsoever paid or to be paid to either Party pursuant to this Agreement (collectively, the "Records"). During the Term and for a period of three (3) years thereafter, District, District's employees and/or District's representatives may, at any time and from time to time and in District's sole and absolute discretion, upon five (5) business days' prior written notice to Contractor, conduct an audit and/or inspection of the Records (each, an "Audit"). In connection with each Audit, District, District's employees and/or District's representatives may make copies of the Records or, at District's election, require that Contractor make copies of the Records and mail them to District. District may conduct an Audit, regardless of the existence of any claim, dispute, controversy, mediation, arbitration, litigation, or negotiation between or otherwise involving the Parties. Upon District's request, Contractor shall cause its chief executive officer or chief financial officer to certify in writing to District that the Records made available or otherwise furnished to District are true, accurate and complete. Neither District's making payments to Contractor nor District's receipt of any payments from Contractor will preclude District from conducting an Audit and/or questioning the accuracy of any such payment. In the event that an Audit reveals that Contractor has overcharged or underpaid District, then, within thirty (30) days of receipt of notice from District of such underpayment or overpayment, Contractor shall pay to District an amount equal to the sum of: (a) the amount of any such underpayment or overpayment, together with a monthly interest rate of one percent (1%) thereon or the highest interest rate allowed by law, whichever is less, computed beginning on the date of underpayment or overpayment; *plus* (b) the sum of all costs and expenses incurred by District in connection with the Audit (including, without limitation, reasonable attorney and accountant fees).

13. Miscellaneous.

13.1 Announcement and Publications. Contractor shall coordinate with District with respect to, and provide advance copies to District for review of, the text of any proposed announcements or publications that include any nonpublic information concerning the Work prior to the dissemination thereof to the public or to any Person other than Subcontractors or advisors of Contractor, in each case, who agree to keep such information confidential. If District delivers written notice to Contractor rejecting any such proposed announcement or publication within two (2) business days after receiving such advance copies, Contractor shall not make such public announcement or publication; provided, however, that Contractor may disseminate or release such information in response to requirements of Governmental Authorities.

13.2 Headings and Interpretation. Headings of sections of this Agreement are included for convenience only and may not be used to define, limit, extend or interpret the terms of this Agreement. Each capitalized term applies equally to both the singular and plural forms thereof. The Parties hereby acknowledge and agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in

the interpretation of this Agreement or any exhibits to this Agreement. No course of dealing, course of performance or usage of trade may be considered in the interpretation or enforcement of this Agreement. The Parties waive any right they may have to introduce evidence of any such course of dealing, course of performance or usage of trade.

13.3 Waiver. The failure of either Party to require performance of any provision herein will not operate as a waiver of the right to request performance of the same or like provisions, or any other provisions hereof, at a later time.

13.4 Remedies Cumulative. The rights and remedies herein provided in case of default or breach by Contractor of this Agreement are cumulative and will not affect in any manner any other remedies that District may have by reason of such default or breach by Contractor. The exercise by District of any right or remedy herein provided shall be without prejudice to District's right to exercise any other right or remedy provided at law, in equity, under contract (including, without limitation, this Agreement) or otherwise (all of which District hereby expressly reserves).

13.5 Choice of Law and Exclusive Jurisdiction. The relationship between the Parties and their present and future affiliates (including, without limitation, all disputes, controversies, or claims, whether arising in contract, tort, under statute or otherwise) is governed by and must be construed in accordance with the laws of the State of California, applicable to contracts to be made and performed entirely within the State of California by residents of the State of California, without giving any effect to its conflict of law provisions. Any and all disputes, controversies and/or claims arising out of, or in connection with, the interpretation, performance, or the nonperformance of this Agreement or any and all disputes, controversies and/or claims arising out of, or in connection with, transactions in any way related to this Agreement (whether arising in contract, tort, under statute or otherwise) and/or the relationship between the Parties will be litigated solely and exclusively before the Fresno County Superior Court. The Parties and their present and future affiliates consent to the *in personam* jurisdiction of the Fresno County Superior Court.

13.6 Injunctive Relief. Contractor hereby acknowledges and agrees that the breach of any of Contractor's obligations under Section 6 will result in irreparable harm and injury to District, for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately measure. Accordingly, in the event of any actual or threatened breach of Contractor's obligations under Section 6, District will be entitled to obtain immediate injunctive relief as well as all other equitable relief allowed by law. The foregoing remedy of injunctive relief is agreed to without prejudice to District to exercise any other rights and remedies it may have at law, in equity, under contract (including, without limitation, this Agreement) or otherwise (all of which District hereby expressly reserves).

13.7 Severability. Each provision of this Agreement is separable and divisible from every other provision and the enforceability of any one provision does not limit the enforceability, in whole or in part, of any other provision. In the event that a court or administrative body of competent jurisdiction holds any provision of this Agreement to be

invalid, illegal, void or less than fully enforceable as to time, scope or otherwise, then such provision must be construed by limiting, reforming and reducing it so that such provision is valid, legal and fully enforceable while preserving to the greatest extent permissible the original intent of the Parties; the remaining terms and conditions of this Agreement will not be affected by such alteration, and shall remain in full force and effect.

13.8 Force Majeure. Neither Party shall be held responsible for failure to perform its obligations under this Agreement if and only to the extent such Party's failure to perform is the result of fire, flood, or any other similar cause beyond the control of such Party (each, a "Force Majeure Event"). In the event that a Party is unable to perform its obligations under this Agreement as the result of a Force Majeure Event, then such Party shall: (a) immediately notify the other Party in writing of the existence, nature and expected duration of the Force Majeure Event and the measures such Party shall take to overcome the effects of the Force Majeure Event and resume full performance of its obligations hereunder as soon as possible; and (b) use commercially reasonable efforts to, at its sole cost and expense, overcome the effects of the Force Majeure Event and resume full performance of its obligations hereunder as soon as possible.

13.9 Notices. All notices or requests that are required or permitted to be given pursuant to this Agreement shall be given in writing and shall be sent by facsimile transmission, or by first-class certified mail, postage prepaid, or by nationally-recognized courier service, charges prepaid, to the Party to be notified, addressed to such Party at the address(es) set forth below, or sent by facsimile to the fax number(s) set forth below, or such other address(es) or fax number(s) as such Party may have substituted by written notice (given in accordance with this Section 13.8) to the other Party. The sending of such notice with confirmation of receipt of the complete transmission (in the case of facsimile transmission) or receipt of such notice (in the case of delivery by first-class certified mail or by nationally recognized courier service) shall constitute the giving thereof.

If to be given to Contractor:

Alpine Hospital Building Services
Attn: Thomas J. Huberty
6825 East Fountain Way
Fresno, CA 93727
Email: [REDACTED]

If to be given to District:

Tulare Local Healthcare District
Attn: Randy Dodd, CEO
P.O. Box 1136
Tulare, CA 93275
Email: rdodd@tulararegional.org

13.10 Successor Interests and Assignment. This Agreement is binding upon the heirs, legal representatives, successors and assigns of District and Contractor. Contractor may not assign this Agreement, by operation of law, change of control transaction or otherwise, without District's prior written consent. District may assign this Agreement without the consent of or notice to Contractor. Any assignment by Contractor in breach of this Section 13.9 will be voidable by District, in District's sole and absolute discretion.

13.11 Survival. Each provision of this Agreement that logically would be

expected to survive termination or expiration of this Agreement will survive such termination or expiration.

13.12 Entire Agreement. This Agreement (including, without limitation, each exhibit hereto and each SOW) sets forth the entire, final, and complete understanding between the Parties relevant to the subject matter of this Agreement, and supersedes and replaces all previous understandings or agreements, written, oral or implied, relevant to the subject matter of this Agreement made or existing before the Effective Date. Each exhibit to this Agreement and each SOW is hereby incorporated into this Agreement by reference in their entirety. Except as expressly provided by this Agreement, no waiver or modification of any of the terms or conditions of this Agreement will be effective unless in writing and signed by both Parties. This Agreement may be executed by facsimile or electronic acceptance (in the manner specified by District) in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.13 Authority/Capacity. Each individual executing this Agreement on behalf of either Party represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of said Party. Each individual further represents and warrants to the other that (a) it has the requisite legal capacity and authority to enter into and fully perform each and all of its obligations under this Agreement, and (b) this Agreement does not in any way violate any covenant, contract, agreement, instrument or understanding by which such Party is bound.

13.14 Further Assurances. Whenever requested to do so by the other Party, each Party shall execute, acknowledge, and deliver any further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurance, approvals, consents, and any further instruments and documents as may be necessary, expedient, or proper to complete the Project. Each Party also agrees to do any other acts and to execute, acknowledge, and deliver any documents requested to carry out the intent and purpose of this Agreement.

13.15 Time. The Parties agree that time is of the essence in all aspects of this Agreement.

13.16 Incorporation of Recitals and Exhibits. All exhibits attached hereto and referred to herein and the Recitals are incorporated in this Agreement as though fully set forth herein.

13.17 No Agency. This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency relationship or partnership between the Parties or to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act as or be an agent or representative of, or otherwise bind, the other Party.

13.18 Equal Employment Opportunity/Non-Discrimination. Contractor shall not

discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Contractor shall take affirmative action, as necessary, to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship.

13.19 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement. For purposes of this Agreement, a facsimile or other electronic signature shall be deemed as valid and enforceable as an original.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the Effective Date.

DISTRICT:

CONTRACTOR:

Tulare Local Healthcare District, a
California healthcare district

Alpine Hospital Building Services, a California
corporation

By: _____

By: _____

Name: Randy Dodd

Name: _____

Title: Chief Executive Officer

Title: _____

EXHIBIT A

STATEMENT OF WORK

1. Contractor shall perform those services set forth and in the manner described below:

1.1 HCAI Class A Inspection services on the District's Tulare Regional Medical Center Tower 1 project for a maximum 40 hours per month for six (6) months to help keep the District's current HCAI permit active.

1.2 Billable hours allowed when HCAI inspector is onsite conducting inspections and completing inspection reports.

1.3 Contractor shall complete all work and services required in accordance with this Agreement, attached hereto and made a part hereof.

2. Contractor shall perform such services at a rate of \$130.00 per hour.

EXHIBIT B

PREVAILING WAGE AND RELATED LABOR REQUIREMENTS CERTIFICATION

I hereby certify that I will conform to the all requirements regarding prevailing wages, benefits, on-site audits with 48-hours' notice, payroll records, and apprentice and trainee employment requirements, for all Services for District under this Agreement including, without limitation, labor compliance monitoring and enforcement by the Department of Industrial Relations.

CLAUSES MANDATED BY FEDERAL CONTRACT WORK HOURS & SAFETY STANDARDS ACT. To the extent said Act is applicable, the following shall apply to the Services, and Contractor hereby certifies the same:

(a) Overtime Requirements. No Contractor or subcontractor contracting for any part of the Services which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.

(b) Violation; Liability For Unpaid Wages; Liquidated Damages. In the event of any violation of the clause set forth in the foregoing paragraph, Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the foregoing paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to Work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required by the foregoing paragraph.

(c) Withholding For Unpaid Wages and Liquidated Damages. District may upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld, from any moneys payable on account of Services performed by Contractor.

(d) Subcontracts. Contractor or any subcontractor shall insert in any subcontracts the foregoing paragraphs concerning Overtime Requirements and Violation: Liability for Unpaid Wages and Liquidated Damages and also a clause requiring each subcontractor to include these clauses in any lower tier subcontracts. Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set in this section.

As applicable, I hereby certify that I will also conform to all Applicable Laws regarding minimum wages, withholding, payrolls and basic records, apprentice and trainee employment requirements, equal employment opportunity requirements, Copeland Act requirements, Davis-Bacon and related requirements, Contract Work Hours and Safety Standards Act requirements,

and any and all other applicable requirements for federal funding for all Services on the Premises.

CONTRACTOR:

Alpine Hospital Building Services, a California corporation

By: _____



Name: Thomas J. Huberty




Title: HCAI inspector



EXHIBIT C

INSURANCE

PLEASE NOTE: ONLY SUBSECTIONS ON THIS EXHIBIT B MARKED “NOT REQUIRED” AND INITIALED BY BOTH DISTRICT AND CONTRACTOR SHALL PROVIDE CONCLUSIVE EVIDENCE OF THE ABSENCE OF CONTRACTOR’S SPECIFIC OR GENERAL INSURANCE OBLIGATIONS FOR A PARTICULAR CATEGORY OF INSURANCE.

<p>(a) <i>General Liability</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p> District’s Initials</p>	<p>Commercial general liability insurance covering bodily injury, property damage, personal and advertising injury liability and contractual liability, with limits of not less than <u>\$ 1,000,000.00</u> for any one (1) occurrence and <u>\$ 1,000,000.00</u> annual aggregate, naming District as an additional insured.</p> <p> Contractor’s Initials</p>
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<p>(b) <i>Workers’ Comp.</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p> District’s Initials</p>	<p>Workers’ compensation insurance, with limits of not less than the greater of (i) \$  and (ii) the minimum amount required by law.</p> <p> Contractor’s Initials</p>
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<p>(c) <i>Auto Liability</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p> District’s Initials</p>	<p>Business auto liability insurance covering the ownership, maintenance and use of all owned, hired and non-owned automobiles used in connection with this Agreement, with limits of not less than <u>\$ 1,000,000.00</u> combined single limit per accident for bodily injury and property damage liability, naming District as an additional insured.</p> <p> Contractor’s Initials</p>
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<p>(d) <i>Umbrella/Excess</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p>_____</p> <p>District's Initials</p>	<p>Umbrella/excess liability insurance with limits of not less than \$ _____ per occurrence and \$ _____ annual aggregate in excess of the commercial general liability and business auto liability insurance, naming District as an additional insured.</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Contractor's Initials</p>
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<p>(e) <i>"All Risk" Property</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p>_____</p> <p>District's Initials</p>	<p>"All Risk" property insurance covering not less than one hundred percent (100%) of the replacement value of Contractor's personal property.</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Contractor's Initials</p>
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<p>(f) <i>Prof. Liability</i></p> <p><input type="checkbox"/> REQUIRED <input type="checkbox"/> <u>NOT</u> REQUIRED</p> <p>_____</p> <p>District's Initials</p>	<p>Professional liability insurance covering acts, errors or omissions arising out of Services performed under this Agreement, with limits of not less than \$ <u>1,000,000.00</u> per occurrence and \$ <u>1,000,000.00</u> annual aggregate.</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Contractor's Initials</p>
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