



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306**

Regular Meeting
Wednesday, July 15, 2020

11:30 A.M.

BOARD TO RECONVENE

Board Members: Alsop, Berjis, Bigler, Brar, McLaughlin, Pelz, Sistrunk
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS



PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

ITEMS FOR CONSIDERATION

CA

- 3) Minutes for Kern County Hospital Authority Board of Governors regular meeting on June 17, 2020 –
APPROVE

CA

- 4) Proposed retroactive Agreement with Brink's U.S., a Division of Brink's Incorporated, an independent contractor, containing non-standard terms and conditions, for armored transport services from July 13, 2020 through July 12, 2023, in an amount not to exceed \$42,963 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

CA

- 5) Proposed Agreement with Mission Linen Supply, an independent contractor, for linen supply items from August 1, 2020 through July 31, 2021, in an amount not to exceed \$1,200,000 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 6) Proposed Agreement with Lee Construction, Inc., an independent contractor, for construction upgrades required for fluoroscopy machine installation, effective July 15, 2020, in an amount not to exceed \$451,742 –
MAKE FINDING PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 7) Proposed License and Services Agreement with Informatica, LLC, an independent contractor, containing non-standard terms and conditions, for legacy data software support from July 15, 2020 through July 14, 2022, in an amount not to exceed \$141,600 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 8) Proposed retroactive Amendment No. 1 to Agreement 147-2019 with the County of Kern, as represented by the County Administrative Office and Kern County Sheriff's Office, for health care services to in-custody inmates housed in Kern County Justice Facility, for the period May 12, 2018 through June 30, 2020, extending the term for one year from July 1, 2020 through June 30, 2021 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN
- 9) Kern County Hospital Authority Financial report –
RECEIVE AND FILE
- 10) Kern County Hospital Authority Chief Executive Officer report –
RECEIVE AND FILE

CA

- 11) Claims and Lawsuits Filed as of June 30, 2020 –
RECEIVE AND FILE

CLOSED SESSION

- 12) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –
- 13) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) –
- 14) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Martin L. Goldman, M.D., an individual v. Kern County Hospital Authority, et al., Kern County Superior Court Case No. BCV-18-100390 SDS –
- 15) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer
(Government Code Section 54957)
- 16) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6)

ADJOURN TO CLOSED SESSION

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, AUGUST 19, 2020, AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

- 11) CLAIMS AND LAWSUITS FILED AS OF JUNE 30, 2020 –
RECEIVE AND FILE
 - A) Claim in the matter of Jihad Hashim
 - B) Claim in the matter of Brian Snellgrove and Jennifer Snellgrove



SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306**

Regular Meeting
Wednesday, June 17, 2020

11:30 A.M.

BOARD RECONVENED

Board Members: Alsop, Berjis, Bigler, Brar, McLaughlin, Pelz, Sistrunk
ROLL CALL: 6 Present; 1 Absent - Alsop

NOTE: The vote is displayed in bold below each item. For example, Alsop-McLaughlin denotes Director Alsop made the motion and Director McLaughlin seconded the motion.

NON-AGENDA ITEM

MOTION TO CONSIDER NON-AGENDA ITEM NO. 19A: MADE FINDING THAT THE NEED TO TAKE ACTION ON A NON-AGENDA MATTER OCCURRED AFTER THE AGENDA WAS POSTED ON JUNE 12, 2020. ON JUNE 15, 2020, AFTER THE AGENDA WAS POSTED, THE KERN COUNTY HOSPITAL AUTHORITY AND SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 521, AGREED THAT AUTHORITY WILL CREDIT AN ADDITIONAL 80 HOURS OF EXTENDED ILLNESS BENEFIT OF EACH EMPLOYEE WHO TESTS POSITIVE FOR COVID-19, WHO MUST BE ABSENT FROM WORK DUE TO A POSITIVE DIAGNOSIS, AND WHO WORKED AT ONE OR MORE AUTHORIZED AUTHORITY LOCATIONS WITHIN 14 DAYS OF DIAGNOSIS. DUE TO THE ECONOMIC CONSEQUENCES TO EMPLOYEES OF NOT APPROVING THE SIDE LETTER OF AGREEMENT EMERGENTLY, IT IS NECESSARY FOR THE BOARD OF GOVERNORS TO CONSIDER THE AGREEMENT AT ITS REGULAR MEETING ON JUNE 17, 2020. THE NEXT REGULAR MEETING OF THE BOARD OF GOVERNORS IS SCHEDULED FOR JULY 15, 2020

Berjis-Pelz: 6 Ayes; 1 Absent - Alsop

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

NOTE: DIRECTOR ALSOP JOINED THE MEETING AFTER THE VOTE ON THE NON-AGENDA ITEM AND BEFORE THE VOTE ON THE CONSENT AGENDA

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

DIRECTOR BERJIS PROVIDED AN UPDATE ON GRADUATE MEDICAL EDUCATION. GRADUATION CEREMONY HAS BEEN CANCELED DUE TO COVID-19. GRADUATING RESIDENTS AND FELLOWS WILL RECEIVE A GIFT IN LEIU OF A CEREMONY. ONLINE ZOOM EVENTS BY CLINICAL DEPARTMENT WILL BE HELD FOR GRADUATES. FORTY NEW INTERN RESIDENTS AND FELLOWS WILL START MONDAY, JUNE 29, 2020

ITEMS FOR CONSIDERATION

CA

- 3) Minutes for Kern County Hospital Authority Board of Governors regular meeting on May 20, 2020 –
APPROVED
Berjis-Pelz: 7 Ayes

CA

- 4) Proposed Agreement with Winnie A. Palispis, M.D., a contract employee, for professional medical services in the Department of Surgery from August 1, 2020 through July 31, 2026, in an amount not to exceed \$3,490,000, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 021-2020
Berjis-Pelz: 7 Ayes

CA

- 5) Proposed Agreement with Theingi Win, M.D., a contract employee, for professional medical services in the Department of Medicine from July 8, 2020 through July 7, 2023, in an amount not to exceed \$1,575,000, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 022-2020
Berjis-Pelz: 7 Ayes

CA

- 6) Proposed Agreement with Mohammed A. S. Molla, M.D., a contract employee, for professional medical services in the Department of Psychiatry from July 14, 2020 through July 13, 2025, in an amount not to exceed \$2,289,766, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 023-2020
Berjis-Pelz: 7 Ayes

CA

- 7) Proposed Engagement Letter from Moss-Adams, LLP, an independent contractor, regarding the audit of Kern Medical Center financial statements for the fiscal year ended June 30, 2020, in an amount not to exceed \$150,000 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 024-2020
Berjis-Pelz: 7 Ayes

CA

- 8) Proposed Amendment No. 6 to Agreement 472-2009 with Morrison Management Specialists, Inc., doing business as Morrison Healthcare, Inc., an independent contractor, for dietary and nutrition services for the period June 27, 2009 through June 30, 2023, adding dietary staff, increasing the salary for Registered Dietician services, and increasing the maximum payable by \$378,873, from \$6,419,663 to \$6,798,536, to cover the term, effective June 27, 2020 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 025-2020
Berjis-Pelz: 7 Ayes

CA

- 9) Proposed Amendment No. 2 to Agreement 2016-042 with Trans-West Security Services, Inc., an independent contractor, for security services for the period July 1, 2016 through June 30, 2020, extending the term for two years from July 1, 2020 through June 30, 2022, increasing the maximum payable by \$4,200,000, from \$5,612,834 to \$9,812,834, to cover the extended term, effective July 1, 2020 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 026-2020
Berjis-Pelz: 7 Ayes

CA

- 10) Proposed Amendment No. 6 to Agreement 1118-2009 with Healthcare Interpreter Network, an independent contractor, for language interpretation services for the period September 9, 2009 through June 30, 2020, extending the term for one year from July 1, 2020 through June 30, 2021, and increasing the amount payable by \$135,000, from \$857,391 to \$992,391, to cover the extended term, effective July 1, 2020 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 027-2020
Berjis-Pelz: 7 Ayes

CA

- 11) Proposed retroactive Amendment No. 9 to Agreement 14818 with Healthcare Performance Group, Inc., an independent contractor, for professional consulting services related to the Cerner Millennium project for the period June 11, 2018 through June 10, 2020, extending the term for two months from June 11, 2020 through August 10, 2020, and increasing the maximum payable by \$99,360, from \$2,844,824 to \$2,944,184, to cover the extended term, effective June 11, 2020 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 028-2020
Berjis-Pelz: 7 Ayes

- CA
12) Request to employ retired Kern County Hospital Authority employee Tina Anderson, as Extra Help Senior Paralegal, for the period ending June 30, 2021, or 960 hours, whichever occurs first, effective July 1, 2020 –
APPROVED
Berjis-Pelz: 7 Ayes
- CA
13) Proposed Amendment No. 2 to Agreement 2017-023 with AMN Healthcare, Inc., an independent contractor, for temporary staffing services for the period August 11, 2016 through August 10, 2020, extending the term for four years from August 11, 2020 through August 10, 2024, and increasing the maximum payable by \$12,000,000, from \$12,000,000 to \$24,000,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 029-2020
Berjis-Pelz: 7 Ayes
- CA
14) Proposed renewal and binding of insurance coverages for hospital professional liability, general liability and umbrella/excess liability, excess workers' compensation and employers liability, automobile liability, helipad liability, directors and officers liability, employment practices liability, crime, privacy and security (cyber) liability, premises pollution liability, underground storage tank liability, employed lawyers liability, and fiduciary liability from July 1, 2020 through June 30, 2021, with option to finance selected premiums including property insurance (building, equipment, business interruption, and flood coverage renewed March 31, 2020) through IPFS Corporation of California and CSAC-EIA in an amount not to exceed \$1,068,873 –
APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN PREMIUM FINANCE AGREEMENT 030-2020 AND CERTIFICATE OF INCUMBENCY
Berjis-Pelz: 7 Ayes
- 15) Request to employ retired Kern County Hospital Authority employee Manuel Acosta, as Extra Help PACS Administrator, for the period ending June 30, 2021, or 960 hours, whichever occurs first, effective July 1, 2020 –
APPROVED
Pelz-Sistrunk: 7 Ayes
- 16) Kern County Hospital Authority Financial report –
RECEIVED AND FILED
Berjis-Brar: 7 Ayes
- 17) Kern County Hospital Authority Chief Executive Officer report –
RECEIVED AND FILED
Berjis-Pelz: 7 Ayes
- CA
18) Miscellaneous Correspondence as of May 31, 2020 –
RECEIVED AND FILED
Berjis-Pelz: 7 Ayes

CA

19) Claims and Lawsuits Filed as of May 31, 2020 –
RECEIVED AND FILED
Berjis-Pelz: 7 Ayes

19A) Proposed Side Letter of Agreement with Service Employees International Union, Local 521, crediting an additional 80 hours of extended illness benefit to the Extended Illness Bank of each employee who tests positive for COVID-19, who must be absent from work due to a positive diagnosis, and who worked at one or more authorized Authority locations within 14 days of diagnosis, effective June 17, 2020 through September 30, 2020 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 031-2020
Berjis-Sistrunk: 7 Ayes

ADJOURNED TO CLOSED SESSION
McLaughlin-Berjis

CLOSED SESSION

- 20) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 21) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 22) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Kathryn A. Kodner, an individual, et al. v. Kern County Hospital Authority, et al., Kern County Superior Court Case No. BCV-18-102453 TSC – SEE RESULTS BELOW
- 23) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION
Pelz-Sistrunk

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 20 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE (MOTION BY DIRECTOR PELZ, SECOND BY DIRECTOR MCLAUGHLIN) THE BOARD APPROVED ALL PRACTITIONERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, REVIEW/RELEASE OF PROCTORING, CHANGE IN STAFF STATUS, VOLUNTARY RESIGNATION OF PRIVILEGES, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item No. 21 concerning Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) - HEARD; NO REPORTABLE ACTION TAKEN

Item No. 22 concerning CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Kathryn A. Kodner, an individual, et al. v. Kern County Hospital Authority, et al., Kern County Superior Court Case No. BCV-18-102453 TSC – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 23 concerning Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, JULY 15, 2020, AT 11:30 A.M.

Alsop

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Proposed retroactive Services Agreement with Brink's U.S., a Division of Brink's Incorporated

Recommended Action: Approve; Authorize Chief Executive Officer to sign

Summary:

Kern Medical requests your Board retroactively approve the Services Agreement with Brink's for armored transport service for the collection and delivery of local cash deposits. Kern Medical collects point of service cash each day from various departments, clinics, and cafeteria. The Agreement establishes the terms for picking up the deposits from Kern Medical's financial office and delivering such for deposit at a local bank.

The term of the Agreement, effective July 13, 2020, is for three years with auto renewal periods of one year each, unless notice is provided. The cost of the Agreement is \$14,321 per year for a total cost of \$42,963 for the initial three-year term.

Counsel is unable to approve the Agreement as to form due to non-standard terms which include the inability to terminate the Agreement without cause, limitations on liability, with Brink's limiting liability to a \$50,000 Maximum Liability Amount, regardless of whether Brink's was at fault or negligent, no indemnification from Brink's, a waiver of jury trial, and a waiver of California law and venue. Counsel attempted to negotiate more favorable terms to no avail.

Therefore, it is recommended that your Board approve the proposed retroactive Services Agreement with Brink's U.S., a Division of Brink's Incorporated, for armored transport service for the collection and delivery of local cash deposits, for a three-year term, beginning July 13, 2020, with a maximum payable of \$42,963, and authorize the Chief Executive Officer to sign.



SERVICES AGREEMENT

AGREEMENT # 10000164047

THIS SERVICES AGREEMENT (together with Attachment(s) the "Agreement") is made by and between **Brink's U.S., a Division of Brink's, Incorporated** ("Brink's"), a Delaware corporation with offices located at 555 Dividend Drive, Suite 100, Coppell, TX 75019, and **KERN COUNTY HOSPITAL AUTHORITY** ("Customer") (EIN: 47-5618278) with offices located at 1700 MOUNT VERNON AVENUE, BAKERSFIELD, CA-93306-4018 is entered into this 13 day of July, 2020.

I. DEFINITIONS

- A. Attachment - any statement of work ("SOW"), exhibit, schedule, amendment or addendum, all of which are hereby incorporated into this Services Agreement.
- B. Business Day - Monday through Friday except holidays observed by the Facility performing Services hereunder.
- C. Distinctively and Securely Sealed - the container used to hold any Property has been closed and fastened with a device or method of sealing having a distinguishing mark that can be clearly seen and recognized as a unique identification number or special mark that is attached to the container so that the Property is firmly enclosed, and the device or method of sealing cannot be removed and reapplied to the container without leaving visible external evidence of tampering to the container. The container must also include bar coding compliant with Brink's specifications.
- D. Facility(ies) - Brink's location(s) where certain Services will be performed.
- E. Loss - any loss of, damage to, theft of, or destruction of Property for which Customer has provided timely Notice to Brink's.
- F. Maximum Liability Amount - the total liability assumed by Brink's for a Loss as specified in the Attachment(s).
- G. Property - currency, coin, checks, securities, other financial instruments, and other valuables agreed upon by Brink's in an Attachment.
- H. Rates - charges for Services as listed in Attachment(s).
- I. Services - services to be provided to Customer as described in the applicable Attachment(s).
- J. Shipment - one or more sealed or locked container(s) of Property collected or received by Brink's in one place at any one time.

II. SERVICES

- A. Brink's shall perform Services as set forth in the SOW(s) signed by Brink's and Customer. Services will be performed at the Facility(ies) and other locations specified in the applicable SOW. Services will be performed on Business Days, unless otherwise specified in the applicable SOW. In the event of inclement weather or some other irregularity, performance shall be as mutually agreed upon. Customer agrees to look only to the provisions of this Agreement and the applicable SOW for any claim against Brink's relating to Customer's Property.
- B. The Customer locations serviced under any SOW, whether listed in an Attachment or otherwise, shall not be deleted by Customer during the term of the Agreement. If a Customer location is moved from one location to another, Brink's will be given the right of first refusal to service such location in its new site.

III. TERM

This Agreement shall begin on the earliest effective date of a SOW and shall remain in effect until expiration or termination of all SOWs.

IV. CHARGES AND PAYMENT

- A. Within thirty (30) days of the date of each invoice, Customer shall pay Brink's the Rates plus all applicable federal, state and local taxes. Payment shall be made by check, electronic funds transfer (EFT) or Fedwire. The Rates may be amended by Brink's invoices, letters, or other writings. Except for Rate changes made pursuant to paragraph 3 of this section, Customer may, by written Notice within twenty (20) days of such invoice, letter or other writing, reject any charges differing from the Rates. Otherwise, Customer shall be deemed to have accepted such increase. If Customer disputes the accuracy of an invoice, Customer will provide Brink's written Notice of the claimed inaccuracy within sixty (60) days of the invoice date or such claim will be deemed waived by Customer.
- B. All charges remaining unpaid after the invoice due date are subject to an interest charge at the lesser of: 1½% per month; or, the maximum rate allowed by law.
- C. Brink's may increase Rates effective January 1 of each year of this Agreement, Brink's may also increase Rates upon written communication in the event of a change in economic conditions that increases Brink's operating costs. Brink's will provide thirty (30) days prior written notice for a Rate increase due to a change in economic conditions affecting the services in Customer's service areas. A change in economic conditions may include, but is not limited to: (i) an act of God; (ii) an act of war; (iii) an increase in the then current local, state, or federal minimum wage; (iv) legislative or regulatory requirements related to the performance of the Services hereunder; or (v) any event that affects Brink's ability to obtain insurance as required under this Agreement. Customer shall also pay the Monthly fuel surcharge as set forth in the Rates for the applicable SOW.
- D. Customer shall pay Brink's for all changes in scope of Services (e.g. frequency, days of service, addition or deletion of locations, etc.) whether requested by Customer in writing or verbally.

V. BRINK'S LIABILITY; LIMITATIONS; EXCLUSIONS

- A. Brink's liability for any of its obligations under this Agreement, including without limitation liability for a Loss of a Shipment, shall not exceed the lesser of the following: (1) Maximum Liability Amount; (2) the actual value of the Loss; or (3) the declared value

of the Property subject to the Loss. Brink's liability shall commence when the Property has been received into Brink's possession and a receipt has been signed by Brink's and shall terminate when the Property has been delivered to the location or agent designated by Customer pursuant to the applicable Attachment, or returned to Customer or its agent in the event that delivery cannot reasonably be made by Brink's.

- B. Brink's liability for a Loss shall not exceed the Maximum Liability Amount, notwithstanding anything to the contrary contained in any oral statement, invoice, receipt or other document.
- C. Brink's shall not be liable for any shortage within any Shipment that: (1) is not Distinctively and Securely Sealed when received by Brink's; (2) occurred before Brink's received possession of the Shipment; or (3) shows no external evidence of tampering when received by Brink's. Brink's shall not be liable for a Loss caused in whole or in part by the criminal acts, or fraud of Customer, its employees, representatives or agents.
- D. Does Customer have the ability to reconstruct checks? YES NO
If "Yes" is checked above, the following language applies:
- E. In the event of a Loss of checks or other financial instruments (together "Checks"), Brink's agrees to pay for: (1) Customer's reasonable costs in identifying and replacing the Checks, and (2) the face value of the Checks not identified, except for those Checks which could not be collected on at the time of the Loss up to a combined limit of \$25,000 per Shipment. The Maximum Liability Amount that applies to the Loss shall include the referenced \$25,000. Customer shall maintain a complete record of all Checks it places in a Shipment and agrees to diligently pursue identification and replacement efforts of the Checks. Customer further agrees to reimburse Brink's for all amounts that are recovered as the result of such efforts.
- F. Brink's shall not be liable for non-performance or delays of Service caused by strikes, lockouts or other labor disturbances, riots, authority of law, acts of God, fire, flood, tornado, hurricane, earthquake or means beyond Brink's control.
- G. Brink's shall not be liable for a Loss or for non-performance or delays of Service (or for any cost, expense or liability related thereto) caused by or resulting from: (1) war, hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack (a) by any government or sovereign power (*de jure* or *de facto*), or by any authority maintaining or using military, naval or air forces; or (b) by military, naval or air forces; or (c) by an agent of any such government, power, authority or forces; (2) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence or confiscation by order of any government or public authority.
- H. In no case shall Brink's be liable for Loss or for non-performance or delays of Service (or for any cost, expense or liability related thereto) directly or indirectly caused by or contributed to or arising from: (1) any chemical, biological, bio-chemical or electromagnetic weapon; (2) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system; (3) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; (4) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; (5) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or (6) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in sub-clause (6) does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- I. **The following limitation shall not apply to Property in transit.** Brink's shall not be liable for Loss or for nonperformance or delays of Service (or for any liability, cost or expense related thereto) directly or indirectly caused by, resulting from or in connection with, any act of terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. An act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
- J. Brink's is not an insurer under this Agreement. Brink's shall not be liable under any circumstance for consequential, special, incidental, indirect or punitive losses or damages (including lost profits, interest or savings) whether or not caused by the fault or negligence of Brink's and whether or not Brink's had knowledge that such losses or damages might be incurred.

VI. INSURANCE

- A. Brink's will maintain at all times during the term of this Agreement, insurance payable to Brink's in such amounts and against such risks as shall adequately cover the Maximum Liability Amount. Upon Customer's written request, Brink's will provide a certificate of insurance. Customer shall be given thirty (30) days' notice in the event such insurance coverage is canceled, not renewed or materially restricted.
- B. Customer shall at all times maintain comprehensive general liability insurance coverage, including contractual liability and premises liability. Such insurance shall be in reasonable amounts and with insurance companies of recognized financial responsibility. Upon written request, Customer shall provide to Brink's evidence of such insurance coverage, and Customer agrees that Brink's shall be given thirty (30) days' notice in the event that such insurance coverage shall be canceled, not renewed or materially restricted.

VII. FILING OF CLAIMS; PROOF OF LOSS

- A. In the event of Loss under this Agreement, Customer shall notify Brink's as soon as practicable upon discovery and provide written Notice to Brink's no more than thirty (30) days after the Property which is the subject of the claim was received into Brink's possession or, as applicable, the inventory report or transaction report indicating a Loss or discrepancy is delivered to Customer. To file a Loss claim, Customer shall submit the claim to Brink's designated website or email address. Timely and complete submission of a Loss claim shall constitute notice of Loss under this paragraph. Customer shall retain a copy of the notification of Loss receipt provided via email or available from the Brink's designated website. It is Customer's responsibility to promptly verify deliveries, transaction reports and inventory reports, as applicable. Unless such Notice is given by Customer within the time prescribed in this section, Brink's shall not be liable to Customer for any claims made pursuant to this Agreement and Customer shall be deemed to have expressly waived any such claim.
- B. Customer shall maintain a record of all Property placed in a Shipment and shall promptly and diligently assist Brink's in establishing the identity of any Loss. Customer agrees to mitigate its damages in connection with any Loss. Brink's and

Customer shall fully cooperate in conducting an investigation, and any question of a Loss or the cause thereof, to the extent reasonably possible, shall be resolved by the findings of such investigation.

- C. Affirmative written proof of the Loss, subscribed and sworn to by Customer and substantiated by the books, records and accounts of Customer, shall be furnished to Brink's prior to payment of a claim. Upon payment of a claim by Brink's, Customer hereby assigns to Brink's all of its right, title and interest in the Property which was the subject of the Loss and all rights of recovery against third parties that are the subject of the claim. Customer will execute any documents necessary to perfect such assignment upon request by Brink's or Brink's insurers.

VIII. DEFAULT; REMEDIES; TERMINATION

- A. In the event of early termination under this Agreement and/or any SOW, other than for material breach by Brink's, Customer agrees that actual damages might be sustained by Brink's which are uncertain and would be difficult to determine. Customer hereby agrees to pay Brink's, as liquidated damages and not as a penalty, all remaining charges that would have been payable to Brink's from the date of termination up to and including the date of expiration of the then current term of this Agreement, plus any capital costs incurred by Brink's as a result of entering into this Agreement. Should Customer default in the payment to Brink's of any amounts due under this Agreement, then Customer shall also be responsible for interest as provided above and all attorney's fees, costs and expenses incurred by Brink's in the collection of such past due amounts. The past due amounts, interest and collection costs constitute "Unpaid Obligations". In addition to the other remedies provided in this Agreement and under applicable law, Customer hereby agrees that Brink's shall be permitted to retain as a credit and to offset against such Unpaid Obligations, on a dollar for dollar basis, any Property which Brink's has in its possession under this Agreement.
- B. Either party may terminate this Agreement in the event of a material breach of this Agreement (including non-payment) by the other party, provided that such breach continues for a period of thirty (30) days after receipt by the breaching party of written Notice from the non-breaching party specifying the nature of such breach. No written Notice is required if the breach is non-payment of amounts due. If such breach is cured within the applicable cure period, then this Agreement shall continue in full force and effect.

IX. MISCELLANEOUS

- A. Brink's may, in its discretion, choose to perform any or all of the Services itself or through its employees, agents or independent subcontractors. Any employee, agent or independent subcontractor performing Services shall be entitled to the benefit of every limitation and defense to which Brink's is entitled hereunder. Notwithstanding the foregoing, Customer shall look solely to Brink's for reimbursement of any Loss in accordance with the terms of this Agreement.
- B. All "Notices" under this Agreement, shall be in writing and shall be deemed given to the other party immediately upon: personal or messenger delivery; proof of transmission date of facsimile transmission; or delivery date of overnight courier or certified mail service. Notice shall be sent to the party at the address shown on the front of this Agreement or to such other address as either party may specify by Notice. Notice to Brink's, including bankruptcy notifications, shall also be sent to: Brink's U.S., Attn: Legal Department, 555 Dividend Drive, Coppell, TX 75019.
- C. Conflicting terms in SOWs will prevail over terms stated in this Services Agreement. Any pre-printed terms and conditions contained in any purchase order or other similar document used by Customer shall be null and void and have no force or effect in modifying the terms and conditions of this Agreement.
- D. This Agreement governs the rights and responsibilities of Customer and Brink's. Customer agrees to look only to the provisions of this Agreement for any claim against Brink's relating to Customer's Property.
- E. Each party agrees to comply with all applicable laws, rules and regulations in the performance of its obligations hereunder.
- F. This Agreement and the Attachments, all as may be amended from time to time, constitute the entire agreement and understanding between Customer and Brink's with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, express or implied. Except with respect to Rates, this Agreement may only be amended or superseded by a writing signed by the parties. The sole and exclusive remedies for any breach of the terms and provisions of this Agreement or any claim or cause of action otherwise arising out of or related to this Agreement shall be those remedies available at law or in equity for breach of contract only (as such contractual remedies have been further limited or excluded pursuant to the express terms of this Agreement), and neither of the parties hereto, nor other person or entity will have any other entitlement, remedy or recourse, whether in contract, tort or otherwise.
- G. Neither party shall use the other party's trade name, likeness, trademarks or logo, without the other party's prior written consent.
- H. The failure of either party to require strict adherence to any term of this Agreement will not be deemed a waiver or deprive that party of the right thereafter to insist upon strict adherence to any term of this Agreement.
- I. The illegality or invalidity of any provision of this Agreement shall not affect or invalidate the remainder of the Agreement.
- J. CUSTOMER AND BRINK'S HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING IN ANY WAY OUT OF THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.
- K. The provisions of this Agreement, which by their sense and context are meant to survive expiration of this Agreement, shall so survive.
- L. Customer's performance of its obligations hereunder shall not be excused or relieved by any claims of Customer to a right(s) of abatement, deduction, setoff or recoupment against Brink's.
- M. THE LAWS OF THE STATE OF DELAWARE SHALL GOVERN THE VALIDITY OF THIS AGREEMENT, THE CONSTRUCTION OF ITS TERMS AND CONDITIONS, THE INTERPRETATION OF THE RIGHTS AND RELATIONSHIPS OF THE PARTIES HERETO, INCLUDING BUT NOT LIMITED TO ALL CLAIMS OR CAUSES OF ACTION (WHETHER BROUGHT IN CONTRACT OR TORT) THAT MAY BE BASED ON, ARISE OUT OF OR RELATE TO THIS AGREEMENT, WITHOUT REGARD TO THE CONFLICTS OF LAWS AND PRINCIPLES THEREOF.
- N. If Customer files for protection under any provision of the Bankruptcy Code (11 U.S.C. S. 101, et seq.), Customer shall file among its first day motions a motion seeking authorization to: (1) assume the Brink's contract, (2) pay Brink's all amounts due under the Agreement on an ongoing basis, and (3) pay as a cure claim any past due amounts. Customer acknowledges that the Services are critical to the continued and uninterrupted operation of its business locations and cash flow. Customer shall promptly seek court authority to treat Brink's as a critical vendor.
- O. To the extent Services include transportation, Customer agrees: (a) that none of the provisions of the Carmack Amendment apply to any obligation of Brink's under this Agreement and (b) Customer shall comply with the Private Express Statutes

(United States Postal Laws and Regulations) in the preparation of all Shipments.

- P. Customer will not assign this Agreement without the prior written consent of Brink's.
- Q. To the extent not prohibited by law, Customer must commence any action, suit, or proceeding for a Loss within twelve (12) months after receipt of the Property into Brink's possession.
- R. This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

AGREED AND ACCEPTED:

"CUSTOMER":

KERN COUNTY HOSPITAL AUTHORITY

By: _____
(Customer Signature)

Name: _____

Title: _____

"BRINK'S":

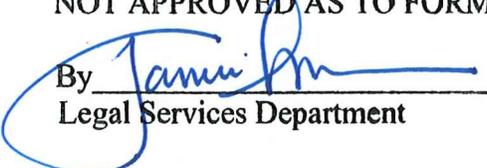
Brink's U.S., a Division of Brink's, Incorporated

By: _____

Name: _____

Title: _____

**REVIEWED ONLY
NOT APPROVED AS TO FORM**

By  _____
Legal Services Department



ARMORED TRANSPORTATION SERVICES STATEMENT OF WORK

AGREEMENT # 10000164047 SOW # 20128

This Armored Transportation Services Statement of Work (the "Armored Transportation SOW") entered into as of July 13, 2020 (the "Effective Date"), is an Attachment to the Services Agreement by and between KERN COUNTY HOSPITAL AUTHORITY ("Customer") and Brink's, U.S., a Division of Brink's, Incorporated ("Brink's"), dated July 13, 2020, (the "Agreement"). This Armored Transportation Services SOW and any additional Attachments hereto: (i) are incorporated by reference into the Agreement, (ii) apply only to the Armored Transportation Services and not to products or services covered by any other SOW or Attachment under the Agreement, and (iii) amend and supplement the terms of the Agreement as set forth herein. Capitalized terms not defined herein shall have the same meaning as set forth in the Agreement.

1. DEFINITIONS

- A. Armored Transportation Services** - Armored transportation of Property and related services to be provided to Customer as described in this SOW.
- B. Delivery Location** - The location designated by Customer in an Attachment as the place where Brink's is to deliver Shipments.
- C. Fragile Property** - Any breakable item, including without limitation, decorative pieces, works of art, and jewelry.
- D. Night Depository** - A non-ATM receptacle in which Customer's customers can deposit Property.
- E. Pick-Up Location** - The location designated by Customer in an Attachment as the place where Brink's is to receive Shipments, which may include a Night Depository location.
- F. Shipment** - For purposes of this Armored Transportation SOW, one or more sealed or locked containers of Property received by Brink's at the same time at a single Pick-Up Location, which are to be delivered to a single Delivery Location.

2. TERM

Armored Transportation Services shall begin on the Effective Date and shall continue for a term ending on the last day of the calendar month three (3) years following the Effective Date. Thereafter this Armored Transportation SOW shall automatically renew for successive one (1) year periods until cancelled by either party on at least sixty (60) days written notice prior to the expiration of the then-current term.

3. SCOPE OF SERVICES

A. Brink's Responsibilities

Brink's shall: (i) arrive at the Pick-Up Location to collect Shipments; (ii) sign a receipt for Shipments received by Brink's; (iii) deliver such Shipments to the Delivery Location; and (iv) obtain a receipt for such delivery. Brink's may return the Shipment to the Pick-Up Location in the event that delivery to the applicable Delivery Location cannot reasonably be made by Brink's. The Armored Transportation Services will be performed during Brink's regular business hours as scheduled by Brink's Facility(ies) performing the Armored Transportation Services, unless otherwise specified herein. In the event of inclement weather or some other irregularity, performance shall be as mutually agreed upon.

B. Customer's Responsibilities

- (i) Customer shall place all Property to be received by Brink's in Distinctively and Securely Sealed containers.
- (ii) Customer warrants that it shall declare the actual value of each Shipment and in each Distinctively and Securely Sealed container in the Shipment. Customer shall not conceal or misrepresent any material fact or circumstance concerning the Property delivered to Brink's and agrees, in the event of Loss, to be bound by its declaration of value.
- (iii) Customer will not include Fragile Property in a Shipment unless specifically agreed to by Brink's in an Attachment.

4. BRINK'S LIABILITY

- A. Subject to the terms of the Agreement, BRINK'S **MAXIMUM LIABILITY AMOUNT FOR THE SERVICES UNDER THIS ARMORED TRANSPORTATION SERVICES SOW SHALL BE \$50,000.00 PER SHIPMENT UNLESS OTHERWISE DESIGNATED IN A LOCATIONS ATTACHMENT.**
- B. Brink's is not responsible for determining the contents or value of any Shipment.
- C. Night Depository (if applicable). Brink's shall not be liable for any Property contained in a Night Depository. Customer agrees that such Property shall be in Brink's possession only after Brink's removes the Property from the Night Depository. Brink's count of the number of items collected from a Night Depository is binding and conclusive. Brink's shall not be liable for any unexplained Night Depository shortage. Customer is responsible for assuring that the Night Depository is secure.

5. RATES

Customer agrees to pay the Rates for the Armored Transportation Services as described in Exhibit A.

"CUSTOMER":

KERN COUNTY HOSPITAL AUTHORITY

By: _____
(Customer Signature)

Name: _____

Title: _____

"BRINK'S":

Brink's U.S., a Division of Brink's, Incorporated

By: _____

Name: _____

Title: _____

**REVIEWED ONLY
NOT APPROVED AS TO FORM**

By Jamie [Signature]
Legal Services Department



EXHIBIT A

**To the ARMORED TRANSPORTATION SERVICES SOW
LOCATIONS & RATES**

AGREEMENT # 10000164047 SOW # 20128

This Exhibit A to the Armored Transportation Services SOW, entered into as of July 13, 2020 by and between Brink's U.S., a Division of Brink's, Incorporated ("Brink's") and **KERN COUNTY HOSPITAL AUTHORITY** ("Customer"), sets forth the Locations & Rates for armored transportation Services. This Exhibit A and the Armored Transportation Services SOW are Attachments to the Services Agreement by and between Customer and Brink's, dated **July 13, 2020** (the "Agreement") and: (i) are incorporated by reference into the Agreement, (ii) apply only to the Armored Transportation Services and not to products or services covered by any other SOW or Attachment under the Agreement, and (iii) amend and supplement the terms of the Agreement as set forth herein. Capitalized terms not defined herein shall have the same meaning as set forth in the Agreement.

I. Service Locations

	Service	Day or Date	Liability
(A) Call at:	Customer's locations listed in Section II	Service days as shown in Section II	Maximum : \$50,000.00
Deliver to:	Designated local bank	Same or following banking day	Average : \$25,000.00
(B) Call at:	Designated local bank	At same time as Item A	Maximum : \$50,000.00
Deliver to:	Customer's locations listed in Section II	Next scheduled day	Average : \$25,000.00

II. Rates

PRICE LIST	LOCATION ID	SERVICE ADDRESS	BRINK'S FACILITY	CON J	FREQ	ZONE	EZ CHANGE	SERVICE DAY(S)	RATE/ MO.	RATE/ TRIP	EXCESS ITEMS	EXCESS LIAB	EXCESS PREMISES
Price List 001	KCHA	2700 M STREET, BAKERSFIELD, CA, 93301	BAKERSFIELD	No	WEEKLY	URB	No	M T W Th F	\$596.70		10	\$50,000	6 minutes - 00:01 - 23:59
Price List 001	MISSION	1301 17TH STREET, BAKERSFIELD, CA, 93301-4503	BAKERSFIELD	No	WEEKLY	URB	No	M T W Th F	\$596.70		10	\$50,000	6 minutes - 00:01 - 23:59

Price List 001

Service Description	Urban	Rural	Over the Road
Excess Items	\$2.00	\$2.00	\$2.00
Excess Liability per \$1000	\$0.25	\$0.25	\$0.25
Excess Time	\$3.00	\$3.00	\$3.00
Holiday Service	\$45.00	\$45.00	\$45.00
Unscheduled Service	\$40.00	\$50.00	\$75.00

Service Description	Urban			Rural			Over the Road		
	(0-1)/Hrs	(1-2)/Hrs	(2-3)/Hrs	(0-1)/Hrs	(1-2)/Hrs	(2-3)/Hrs	(0-1)/Hr	(2-3)/Hrs	(4-5)/Hrs
Emergency Service - Per Hour	\$150/Hr	\$150/Hr	\$150/Hr	\$350/Hr	\$175/Hr	\$175/Hr	\$800/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr
	\$150/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$175/Hr	\$200/Hr	\$200/Hr	\$200/Hr

*Hourly rates are charged for round-trip hours - Portal to Portal

Holiday List

Christmas Day;Columbus Day;Independence Day;Labor Day;Martin Luther King Day;Memorial Day;New Year's Day;Presidents' Day;Thanksgiving Day;Veterans Day

This Exhibit A is entered into as of July 13, 2020 (the "Effective Date"). This Exhibit A supersedes and replaces any prior Locations or Rates Attachment(s).

AGREED AND ACCEPTED:

"CUSTOMER":

KERN COUNTY HOSPITAL AUTHORITY

By: _____
(Customer Signature)

Name: _____

Title: _____

"BRINK'S":

Brink's U.S., a Division of Brink's, Incorporated

By: _____

Name: _____

Title: _____

**REVIEWED ONLY
NOT APPROVED AS TO FORM**

By Jamie
Legal Services Department

FUEL SURCHARGE EXHIBIT

AGREEMENT # 10000164047 SOW # 20128

This Fuel Surcharge Exhibit is incorporated by reference into the Agreement dated July 13, 2020 (and, where applicable, any Attachments thereto) between **Brink's U.S., a Division of Brink's, Incorporated** ("Brink's") and **KERN COUNTY HOSPITAL AUTHORITY** ("Customer").

A fuel surcharge will be determined on a monthly basis according to the charts and formula below. The formula to determine the fuel surcharge is:

Applicable fee(s) for Services requiring/involving transportation for the month x fuel surcharge percentage as set forth in the table below = Total fuel surcharge

The fuel surcharge is based on the Retail On-Highway Diesel Fuel Prices reported by the U.S. Energy Information Administration (eia.doe.gov.), regardless of the fuel type used to perform services for any Customer location.

FUEL PRICE/GAL

Minimum	Maximum	Surcharge
\$0.01	\$2.50	6.25%
\$2.51	\$2.55	6.50%
\$2.56	\$2.60	6.75%
\$2.61	\$2.65	7.00%
\$2.66	\$2.70	7.25%
\$2.71	\$2.75	7.50%
\$2.76	\$2.80	7.75%
\$2.81	\$2.85	8.00%
\$2.86	\$2.90	8.25%
\$2.91	\$2.95	8.50%
\$2.96	\$3.00	8.75%
\$3.01	\$3.05	9.00%
\$3.06	\$3.10	9.25%
\$3.11	\$3.15	9.50%
\$3.16	\$3.20	9.75%
\$3.21	\$3.25	10.00%
\$3.26	\$3.30	10.25%
\$3.31	\$3.35	10.50%
\$3.36	\$3.40	10.75%
\$3.41	\$3.45	11.00%
\$3.46	\$3.50	11.25%
\$3.51	\$3.55	11.50%
\$3.56	\$3.60	11.75%
\$3.61	\$3.65	12.00%
\$3.66	\$3.70	12.25%
\$3.71	\$3.75	12.50%
\$3.76	\$3.80	12.75%
\$3.81	\$3.85	13.00%
\$3.86	\$3.90	13.25%
\$3.91	\$3.95	13.50%

Minimum	Maximum	Surcharge
\$3.96	\$4.00	13.75%
\$4.01	\$4.05	14.00%
\$4.06	\$4.10	14.25%
\$4.11	\$4.15	14.50%
\$4.16	\$4.20	14.75%
\$4.21	\$4.25	15.00%
\$4.26	\$4.30	15.25%
\$4.31	\$4.35	15.50%
\$4.36	\$4.40	15.75%
\$4.41	\$4.45	16.00%
\$4.46	\$4.50	16.25%
\$4.51	\$4.55	16.50%
\$4.56	\$4.60	16.75%
\$4.61	\$4.65	17.00%
\$4.66	\$4.70	17.25%
\$4.71	\$4.75	17.50%
\$4.76	\$4.80	17.75%
\$4.81	\$4.85	18.00%
\$4.86	\$4.90	18.25%
\$4.91	\$4.95	18.50%
\$4.96	\$5.00	18.75%
\$5.01	\$5.05	19.00%
\$5.06	\$5.10	19.25%
\$5.11	\$5.15	19.50%
\$5.16	\$5.20	19.75%
\$5.21	\$5.25	20.00%
\$5.26	\$5.30	20.25%
\$5.31	\$5.35	20.50%
\$5.36	\$5.40	20.75%
\$5.41	\$5.45	21.00%
\$5.46	\$5.50	21.25%

Note: For every additional \$.05 increase in fuel price will result in an additional .25% in surcharge.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Proposed Rental Agreement with Mission Linen Supply

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed Rental Agreement with Mission Linen Supply for the provision and laundering of patient linens, including sheets, pillow slips, blankets, curtains, towels, gowns, and scrubs for Kern Medical and outlying clinics. The services provided by Mission Linen Supply are essential to ensure Kern Medical maintains and supplies clean linens to its patients and complies with California state law and regulations.

The term of the agreement is one year, effective August 1, 2020, with a maximum payable not to exceed \$1,200,000.

Therefore, it is recommended that your Board approve the proposed Rental Agreement with Mission Linen from August 1, 2020 through July 31, 2021, in an amount not to exceed \$1,200,000, and authorize the Chairman to sign.



RENTAL AGREEMENT

This AGREEMENT is made this August 1, 2020 by and between MISSION LINEN SUPPLY (“SUPPLIER”) and KERN COUNTY HOSPITAL AUTHORITY, a local unit of government, which owns and operates KERN MEDICAL CENTER (“CUSTOMER”).

The parties agree as follows:

SCOPE OF SERVICES

1. SUPPLIER agrees to furnish and CUSTOMER agrees to rent and use the linen supply items listed herein, in accordance with the conditions and terms set forth below (See Attachment “A”). Initial linens provided by SUPPLIER shall be new or like new condition.
2. Except as may be provided herein, all linen items and garments supplied shall remain the property of, and be processed exclusively by, SUPPLIER. Alterations to rental items by CUSTOMER are not allowed. (1) Supplier will implement a defined lost linen maintenance program in conjunction with department heads of CUSTOMER.
3. Additional services may be provided under this Agreement upon mutual agreement between SUPPLIER and CUSTOMER, and shall then be expressed and identified by a written Addendum. Upon signed acceptance by both SUPPLIER and CUSTOMER, this Addendum shall become a part of this Agreement.
4. At time of delivery an invoice will be given, or sent electronically, reflecting the individual item counts. If there is a discrepancy in the count, it will be brought to the attention of SUPPLIER’S service department promptly and will be addressed immediately. All clean linens will be billed by invoice at the contracted price per item. (See Attachment “A”). A monthly report will break out the calibrated weight of items provided.

AGREEMENT TERM

5. This AGREEMENT is effective on August 1, 2020 and shall remain in effect until July 31, 2021. This agreement may be renewed by written agreement between the parties not less than thirty (30) days in advance of the expiration date of the then current term. This agreement shall not be binding upon SUPPLIER until it has been accepted by its District Manager or General Manager.

SERVICE DELIVERY PERFORMANCE

6. Deliveries and pick-ups will be made by SUPPLIER on a regular scheduled basis at a time mutually agreed upon by both parties. At no additional cost to CUSTOMER, an answering service will be provided 24 hours a day.
 - a. During normal business hours (8:00 am to 5:00 pm, M-F), there are office staff available to take all calls. All calls are given to the respective manager for response.
 - b. All other hours are handled by our answering service. They have mobile numbers for all management. Response would be within 1 hour.
 - c. Additionally, SUPPLIER shall provide a phone directory listing for all management personnel and service personnel, which includes their mobile access numbers.
7. As often as necessary, with a minimum 24-hour notice, it is agreed that SUPPLIER shall have access to CUSTOMER'S place of business during normal business hours to check or inventory any or all of the linen items furnished by SUPPLIER.
8. CUSTOMER shall provide an area which SUPPLIER can deliver clean product to at CUSTOMER'S facility/facilities as agreed to by all parties. All clean linen products shall be delivered by SUPPLIER in covered containers with manifest specifying the content of each cart. In addition, CUSTOMER shall also provide a secured area in which soiled linen carts shall be stored for pick-up by SUPPLIER.
9. CUSTOMER shall agree to make sure that all soiled textile products which may be wet, are sealed and secured within plastic bags that prevent leakage which could result in contamination of the environment, during collection, transportation and storage prior to processing. CUSTOMER also agrees that selected bags must not tear when filled to capacity and are capable of being securely closed to prevent textiles from falling out.
10. CUSTOMER agrees to utilize red bags to contain soiled textiles known to be contaminated. Red bags will be identified with bio-hazard symbol and shall not be put in with regular soiled linen. All other soiled textiles shall be put in standardized dark blue or black containment bags.
11. SUPPLIER shall provide all transport carts required for service to CUSTOMER'S facility locations.
12. SUPPLIER shall maintain and clean all carts that have been used to transport soiled linen in accordance with all requirements as stated in our Policies and Procedures documents. In addition, SUPPLIER shall insure the separation of clean and soiled linen in transport from CUSTOMER facilities to SUPPLIER service facilities.

PRODUCT PERFORMANCE

13. Except as may be provided herein, all linen items and garments supplied shall remain the property of, and be processed exclusively by, SUPPLIER. All linen items shall be standardized in accordance to SUPPLIERS specifications and product line. All products will be folded as per standard SUPPLIER specifications. Custom folding or bundling requested by CUSTOMER may require additional cost at SUPPLIERS discretion. Any specialty items requested by CUSTOMER, must be approved by both parties, and may result in pricing adjustments. Alterations to rental items by CUSTOMER are not allowed. SUPPLIER will implement a defined lost linen maintenance program in conjunction with department heads of CUSTOMER (See Attachment "A"). On no less than a quarterly basis, a physical inventory of the below listed medical items will be taken in concert with SUPPLIER and CUSTOMER. In the event of loss, damage, misuse or abuse to such items, normal wear and tear excluded, CUSTOMER shall pay to SUPPLIER the then current replacement rate. This replacement rate may vary depending upon the material goods market.
14. All weighing of clean linens will be conducted at the SUPPLIER'S plant. At time of delivery an invoice will be given or sent electronically. If there is a discrepancy in the delivery item amounts, it will be brought to the attention of SUPPLIER'S service department promptly and will be addressed immediately. All clean linens will be billed by invoice at the contracted unit price. (See Attachment "A").
15. SUPPLIER will establish an onsite quality control program to ensure that linen meets CUSTOMER standards of quality. Quality issues will be reviewed on a quarterly basis or at the request of CUSTOMER. CUSTOMER may reject any linen that they feel does not meet their quality standards. All rejected items must be kept separately and returned to SUPPLIER for credit.

TERMINATION

16. In the event of cancellation of this Agreement for any reason, CUSTOMER agrees to:
 - (a) Purchase the entire inventory of any and all Non-Standard items in service or otherwise held for CUSTOMER'S use at the then current replacement cost.
 - (b) Pay all outstanding amounts owed to SUPPLIER.
17. Should CUSTOMER believe that SUPPLIER has failed to provide service in accordance with the standard and quality comparable to that of other commercial laundries rendering like service in the same area, it shall notify SUPPLIER in writing by certified mail, setting forth the specific nature of the complaint. Should SUPPLIER in its discretion find such complaint to be valid but then fail to remedy the complaint within (30) days, CUSTOMER may terminate this Agreement by giving (60) days' written notice to SUPPLIER and by purchasing all special items in issue and/or in inventory at the then current replacement value.

18. **Non-appropriation.** Customer, as a government entity, reserves the right to terminate this Agreement in the event insufficient funds are appropriated for this Agreement in any fiscal year under the provisions of California Constitution Article 16 section 18a. Customer's fiscal year is July 1 to June 30 of each calendar year. Upon such termination, Customer will be released from any further financial obligation to SUPPLIER, except for services performed prior to the date of termination or any liability due to any default existing at the time this clause is exercised. SUPPLIER will be given 30 days prior to the date of termination or any liability due to any default existing at the time this clause is exercised. SUPPLIER will be given 30 days' prior written notice in the event that CUSTOMER requires such action.

PRICING

19. SUPPLIER shall provide the services and products as established and agreed upon as per the pricing listed in Attachment "A".
20. SUPPLIER shall have the right to, and be entitled to a price increase on each anniversary date of this Agreement. The amount of this increase shall be in accordance with the percentage increase of the Consumer Price Index (CPI), for the Kern County, California area for the prior 12-month period. The amount of increase shall not exceed five percent (5%) per year.
21. This Agreement and its pricing is based on the quality and quantity mix of all products being requested by CUSTOMER and provided by SUPPLIER at the time of this Agreement. Should CUSTOMER substantially change product selection or delete product provision from the program, SUPPLIER may need to adjust pricing for services. Both CUSTOMER and SUPPLIER must mutually agree to the changes, and a signed Addendum by both parties shall become part of this Agreement.
22. SUPPLIER will guarantee this contract price for twelve (12) months from date of installation. In the event of unexpected market conditions which significantly change and increase cost of services to CUSTOMER, SUPPLIER can impose additional charges above the annual increase stated in paragraph twenty (20) of this agreement. SUPPLIER shall send written notice and meet with CUSTOMER no less than thirty (30) days before the implementation of any such increase. SUPPLIER shall discuss with CUSTOMER the conditions which necessitate such action with the intent of reaching mutual agreement. If after both parties have met and discussed any rate or charge increases, and an agreement has not been reached which results in an impasse, SUPPLIER may cancel this agreement by giving CUSTOMER one hundred twenty (120) days written notice and fulfilling all requirements of paragraph nineteen (19) of this agreement. SUPPLIER shall not include any "energy charge", "environmental charge", "service charge", or any other ancillary charge as described in paragraph twenty-three (23) without the mutual agreement of CUSTOMER.

PAYMENT

23. All invoices of SUPPLIER shall be deemed to be true and correct, and unless an objection to an invoice is made by the CUSTOMER in writing on or before the due date, or unless the account is

C.O.D. etc., all charges are due and payable by the 10th of the month following service. In the event CUSTOMER charges are not paid in a timely manner, SUPPLIER has the option to place CUSTOMER on a C.O.D. basis, plus a percentage of any past due bills. SUPPLIER shall apply any payment received toward the current bills first and any balance against past due bills until CUSTOMER is again current.

24. This statement describes the billing policies and practices of SUPPLIER regarding charges that will appear on your invoice. Please read it carefully. Like many companies, SUPPLIER'S price for the goods it rents and the services it provides is made up of several components. The goods and services are referred to on the CUSTOMER invoice by descriptive words such as "bar towel" or "shop towel." The basic price charged is determined by multiplying the number of goods rented or the quantity of services provided by a price per item of such goods or services called the "unit price." The unit price will be the amount determined by the agreement with SUPPLIER. The result will be the basic price and will be entered as a dollar amount on one line of the CUSTOMER invoice. SUPPLIER reserves the right to charge amounts in addition to the basic unit prices based on its costs and market conditions. Such additional charges will be described on the CUSTOMER invoice variously as "environmental charge," "ancillary charge," "fuel charge," "energy charge," "service charge," or "additional charge." Some CUSTOMER invoices will have charges added and others will not. Charges may be temporary and will be collected for less than the full term of the agreement. Others may be permanent and will be collected over the entire term of the agreement. The method of calculation will vary but usually will be either a flat charge or a percentage of the total invoice amount. In unusual situations the charge may be based on circumstances unique to a particular CUSTOMER. Generally, there will be no exact correlation between the charge assessed and any specific cost or expense incurred by SUPPLIER. Instead, the charges are intended to recover SUPPLIER'S costs associated with energy, gasoline, environmental compliance, wastewater and related expenses on a company wide basis but the amount charged to a particular CUSTOMER will not bear an exact relationship to actual costs incurred on behalf of that CUSTOMER. Other charges shown on a CUSTOMER invoice may be related to actual CUSTOMER experience. Those charges will be described variously as an "abuse charge," "loss charge," "loss and abuse charge," "inventory maintenance charge," "replacement charge," or "linen maintenance charge." Typically, they will be assessed on a percent of invoice basis but may be based on another method. These charges may be collected in addition to or in lieu of other charges. The addition or omission of such charges, the amount and method of calculation, and the determination of whether charges are temporary or permanent, are all matters within the discretion of SUPPLIER and may not be applied in the same way for all CUSTOMERS or in all locations because of variations in costs, the needs of different CUSTOMERS and the effects of competition in different markets. Unit prices and additional charges may vary according to locale. If charges are added the amount charged and the method of calculation will be separately reflected on the CUSTOMER invoice in addition to the unit price.
25. The maximum payable under this agreement will not exceed \$1,200,000 for the August 1st 2020 through July 31st 2021 term.

FORCE MAJEURE

26. In the event of strikes, lockouts, riots, fire, war, government acts, acts of God, and other conditions beyond the control of SUPPLIER or CUSTOMER, either party may be excused to the extent that such things as mentioned prevent the performance of services described within this Agreement. SUPPLIER has a contingency plan on file to service CUSTOMER without interruption. This plan provides for management intervention and involvement to insure the delivery of goods. Please see Exhibit "D" for further clarification as to this contingency plan.

SHARPS/MEDICAL WASTE

27. CUSTOMER agrees and acknowledges that “sharps” or contaminated Red Bio-Bag medical waste must not be mixed with soiled linens. Should sharps be found in soiled linen returned from the hospital to the laundry, each item shall be documented and notice made to the CUSTOMER’S Infectious Control Nurse (ICN). After the third such occurrence, SUPPLIER will assess a handling fee of \$250 for each subsequent incident. SUPPLIER will request a written plan that demonstrates the measures CUSTOMER is taking to ensure that potentially dangerous instruments do not become mixed with soiled linens. Additionally, CUSTOMER will be responsible for the disposal costs of medical waste received at the laundry mixed with soiled linens.

MISCELLANEOUS

28. In the event of sale, disposal, or closing of any or all CUSTOMER’S business or locations, CUSTOMER shall immediately notify SUPPLIER in writing and shall be liable to SUPPLIER for all linen items and garment furnished, until such notice is given.
29. CUSTOMER warrants that the execution of this agreement will not constitute a breach or violation of any existing contract to which CUSTOMER is a party.
30. CUSTOMER acknowledges that the items furnished under this agreement are for general purposes, and are not designated or recommended for use in areas of flammability risk or where contact with hazardous materials or ignition sources is possible.
31. CUSTOMER covenants that it is in compliance with the U.S. Department of Labor, Occupational Safety and Health Administration’s standards covering exposure to blood-borne pathogens as published in the Federal Registrar on December 6, 1991, and will consistently maintain compliance with that standard.
32. SUPPLIER shall comply with local, state, federal laws and regulations and the Joint Commission Accreditation of Health Care Organizations which apply to occupational exposure to blood or other potentially infectious materials and performing their duties and obligations hereunder. Additionally, SUPPLIER shall comply with all requirements of California Code of Regulations, Title 22, §70825 and §70827. Notwithstanding the content of §11(1)(a), failure to comply with the foregoing shall be grounds for the immediate termination of this Agreement.
33. Equal Opportunity Employer—it is the policy of SUPPLIER to provide equal employment opportunity to all of its applicants and employees. SUPPLIER does not unlawfully discriminate on the basis of race, color, religion, sex, national origin, ancestry, age, medical condition, handicap, veteran’s status, marital status, or sexual orientation. SUPPLIER also makes reasonable accommodations for handicapped and disabled employees. This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer and social and recreational programs.

34. The CUSTOMER shall indemnify, defend and hold harmless SUPPLIER and its officers, agents and employees, and each of the foregoing, with respect to any and all liability, losses, claims, suits, damages, taxes, charges and demand of any kind and nature whatsoever by any party which any of them may incur or suffer as a result of any negligent act or omission by CUSTOMER.
35. The SUPPLIER shall indemnify, defend and hold harmless the CUSTOMER and its officers, agents and employees, and each of the foregoing with respect to any and all liability, losses, claims, suits, proceedings, damages, taxes, charges and demands of any kind and nature whatsoever by any party which any of them may incur or suffer as a result of any action relating to or arising out of any negligent act or omission of SUPPLIER, its agents, or its employees.
36. **Federal Eligibility.** SUPPLIER represents and warrants to CUSTOMER that during the term of this Agreement, that SUPPLIER and all of its owners, officers, directors and managing employees shall not have been (a) suspended or excluded from participation in any federal or state health care program (including, without limitation, Medicare, Medi-Cal, or CHAMPUS/Tricare), or (b) convicted of any criminal offense related to the delivery of any good or service paid for by a federal or state health care program or to the neglect or abuse of patients, or (c) suspended, excluded or sanctioned under any other federal program, including the Department of Defense, the Department of Veterans Affairs. SUPPLIER shall notify CUSTOMER immediately if any event occurs which would make the foregoing representation untrue. Breach of this provision shall be grounds for immediate termination of this Agreement.
37. **Compliance with Medicare Books and Records Access Law:** Until the expiration of four (4) years after the furnishing of the services provided under this contract, SUPPLIER shall cooperate fully with CUSTOMER by maintaining and making available all necessary records, or by executing any agreements, in order to assure that CUSTOMER will be able to meet all requirements for participation and payment associated with public or private third party payment programs including, but not limited to, the Federal Medicare program. Consistent with the foregoing, SUPPLIER agrees to comply with § 1861(v)(1)(I) of the Social Security Act, as amended, and any regulations promulgated pursuant thereto, under which SUPPLIER agrees to maintain its books, documents and records that are necessary to certify the nature and extent of such services and payments under this Agreement and to furnish such books, documents and records, upon written request to the Secretary of Health and Human Services or to the Comptroller General, or any of their duly authorized representatives. If SUPPLIER is requested to disclose books, documents or records pursuant to this Section for purpose of an audit, SUPPLIER shall notify CUSTOMER of the nature and scope of such request and SUPPLIER shall make available, upon written request of CUSTOMER, all such books, documents or records, during regular business hours of SUPPLIER. If SUPPLIER carries out the duties of the contract through a subcontract worth \$10,000.00 or more over a twelve (12) month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary of Health and Human Services or to the Comptroller General, or any of their duly authorized representatives to the related organization's books and records.
38. **Insurance.** SUPPLIER shall maintain adequate general public liability, property damage and worker's compensation insurance against any claim or claims which might or could arise as a result of this Agreement. Upon execution of the Agreement and when requested by CUSTOMER, an insurance certificate indicating the foregoing coverage, issued by an insurance company licensed to do business in the relevant state or states and signed by an authorized agent, shall be furnished.
39. **Liability of Customer.** The liabilities or obligations of CUSTOMER with respect to its activities pursuant to this Agreement shall be the liabilities or obligations solely of CUSTOMER and shall not

be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California. California Health and Safety Code Section 101853(g).

40. **Governing Law; Venue.** The parties agree that this Agreement shall be deemed as having been executed in the offices of CUSTOMER. This Agreement will be governed by and construed in accordance with the laws of the State of California. The venue for any litigation arising out of this Agreement shall be a state or federal court of competent jurisdiction in Kern County, California.
41. This agreement contains entire agreement between the parties and any terms or conditions not set forth herein are null and void. If any term or provision of this agreement or the application thereof to any person or circumstance is held to be void or unenforceable to any extent, then the remaining provisions of this agreement shall continue in full force and effect.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed as of the date and year first above written.

Mission Linen Supply

720 20th ST Bakersfield, CA 93301

Mel Kent
Authorized Representative: Mel Kent

Mel Kent
Signature

General Manager
Title

7-10-2020
Date

Kern County Hospital Authority

1700 Mt. Vernon Bakersfield, CA 93306

Russell Bigler
Authorized Representative: Please Print

Signature

Chairman, Board of Governors
Title

Date

APPROVE AS TO CONTENT
Kern Medical Center

Signature

Russell V. Judd
Please Print: Chief Executive Officer

Date

APPROVE AS TO FORM
*Kern County Hospital Authority, Legal Services
Department*

Jamie A. Mason
Signature

Jamie A. Mason
Please Print: Hospital Counsel

7/10/2020
Date



**ATTACHMENT "A"
SCHEDULE OF CHARGES
RENTAL LINEN PROCESSING**

PRICING/ FEE SCHEDULE

PATIENT & NON-SPECIALTY ITEMS

Mission Linen Supply will place into service, pick-up soiled, process, and deliver all linen requirements for Kern Medical. The items quoted here are agreed upon standard items or items that have been reviewed, approved and may be special for Kern Medical. Any items required outside this agreement will be priced according to mutual agreement between the two parties.

Poundage Pricing

Finished goods will be bundled and stacked in clean delivery carts only. They will then be weighed as "Clean dry weight" by scale, and not by product count and pre-calibrated weight.

The weight of the cart is subtracted from the gross weight, and the net weight is then billed per this schedule. Quarterly calibration and certification of our scale will be done to insure accuracy. All clean transportation carts will be of uniform size, and reflect their actual empty net weight on the side.

Standard Patient Linen

The following list of items will be charged at a price of \$.50 per clean delivered pound.

Sheet, hospital Std	Blanket, baby rec	Gown, patient blue
Sheet, OR	Blanket, thermal	Cape, mammography
Sheet, birthing	Towel, bath	Gown, pedi
Sheet, contour fitted	Towel, blue	T-shirt, baby
Pillow slip	Washcloth	
Blanket, spread	Pad, bed under quilted	
Blanket, bath	Gown, patient (IV)	

A five percent (5%) Linen Maintenance will be applied to all invoices to help defray the cost of linen Replacement for the items listed above.

Staff Apparel, Specialty Items, & Floor Care

The following list of items will be charged at the unit prices reflected here.

Tablecloths \$17.88
 Scrub Tops \$0.64
 Scrub Bottoms \$0.64
 Microfiber Towels \$0.17
 Microfiber Flat Mops \$0.36

All garment charges are based on a predetermined percentage rate amount based on the stated weekly inventory requirements.

Non patient linen items will be replaced out at 10% monthly rate based on usage.

Outlying Clinics and other Non-Specified Business Units

The following list of items will be charged at the unit prices reflected here:

Pillow Slip \$0.27
 Single Sheet \$0.49
 Bath Towels \$0.33
 Wash Cloths \$.17
 Bath Blankets \$0.80
 Patient Gowns \$.80

REPLACEMENT PROGRAM

The following replacement program is designed to provide for mutual involvement in the maintenance and Continuation of a quality linen supply program. Normal replacement of standard patient linen is a continuous process. A large part of this replacement is generated by premature retirement of product through abuse or loss. In order to facilitate a genuine partnership in this program, Mission Linen Supply will apply a five (5) percent linen maintenance charge on all standard patient linen. This is calculated on the amount of the poundage invoice total.

The following items represent the amount by which actual replacements exceed standard replacement by pieces used and are factored by the following rates.

Item:	Maintenance Charge:	Replacement Charge:
Sheet, fitted	2.50%	\$16.64
Pillowslip	2.50%	\$2.49
Sheet, hospital Stnd	2.50%	\$8.93
Blanket, Baby	2.77%	\$3.47
Gown, IV	1.21%	\$8.76
Gown, patient blue	1.21%	\$8.76
Blanket, flannel	2.50%	\$17.85
Gown, ped	2.62%	\$6.65
Pad, Bed under-quilt	2.46%	\$9.51
Towel, bath	2.50%	\$3.93
Washcloth	7.00%	\$.51
Towel, blue	3.00%	\$2.74
T-shirt, baby	1.90%	\$2.47

Scrub Top	0%	\$11.50
Scrub Bottom	0%	\$12.50

Both SUPPLIER and CUSTOMER realize that linen loss and abuse is a major contributor to cost. SUPPLIER has provided a cost program to address and account for the common conditions of loss And early mortality of the textile products provided for and supplied to CUSTOMER. An area of Loss not accounted for within this program is the loss of linen which is allowed to go out of the Hospital via transfer patients to other facilities (i.e. Skilled Nursing, Long Term Care, Rehabilitation, Other hospitals...) and linen taken by Emergency Response Units through the ER.

SUPPLIER shall incorporate a program of tracking and monitoring of a soil to clean variance. This Program will track the amount of soil linen returned to the amount of clean linen delivered. The base Line for soil to clean shall be ten percent (10%) per month. Amounts less than this can indicate a Significant amount of linen may be leaving CUSTOMER's facility.

CUSTOMER agrees that should the variance drop below a nine percent (9%) threshold of soil to clean variance, it will immediately enact procedures to resolve. SUPPLIER and CUSTOMER shall work together to correct and eliminate the loss conditions through the development of a written action plan.

COG (Customer Owned Goods) ITEMS

The following Customer Owned Goods shall be laundered at the following unit price.

Cubicle Curtain	\$7.90
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Any new or additional items will be priced according to mutual agreement between the two parties.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Proposed Agreement with Lee Construction, Inc.

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests that your Board approve the proposed Agreement with Lee Construction, Inc., for the construction upgrades required to complete the new fluoroscopy machine project. This project in general consists of minor information technology upgrades, electrical upgrades, seismic anchoring, concrete foundation, paint, flooring, new dedicated HVAC equipment and upgrades to the patient restroom required by the American with Disabilities Act (ADA). The fluoroscopy machine cannot be installed without the completion of these construction upgrades.

The Agreement is effective as of July 15, 2020 and construction is anticipated to be completed within 90 working days, once construction commences, at a total cost to the Authority of \$451,742.

Therefore, it is recommended that your Board make a finding that the project is exempt from further CEQA review per sections 15301, 15302 and 15061(b)(3) of State CEQA Guidelines, approve the proposed Agreement with Lee Construction, Inc., effective July 15, 2020, in an amount not to exceed \$451,742, and authorize the Chairman to sign.

DOCUMENT 00500

AGREEMENT

THIS AGREEMENT, dated this 15th day of July, 2020, is by and between Lee Construction, Inc. whose place of business is located at 8027 W. Sunnyview Avenue, Visalia, CA 93291 ("Contractor"), and the KERN COUNTY HOSPITAL AUTHORITY, a local unit of government (hereinafter "Owner and/or Authority"), acting under and by virtue of the authority vested in Owner by the laws of the State of California

WHEREAS, in consideration for the promises and payment to be made and performed by Authority, and under the conditions expressed in the incorporated Bid Proposal (Bid), bonds and related papers, Contractor agrees to do all the work and furnish all the materials at the expense of Contractor (except such as the Specifications state will be furnished by Authority) necessary to construct and complete in a good and workmanlike manner to the satisfaction of the Chief Executive Officer for the Kern County Hospital Authority all the work shown and described in the plans and specifications for the project known as:

Fluoroscopy Room Remodel (10037)

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and Owner agree as follows:

ARTICLE 1 - SCOPE OF WORK OF THE CONTRACT

1.01 Work of the Contract

- A. Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents (Work)

1.02 Price for Completion of the Work

- A. Owner shall pay Contractor the following Contract Sum four hundred fifty-one thousand, seven hundred forty-one dollars and eight cents (\$451,741.08) for completion of Work in accordance with Contract Documents as set forth in Contractor's Bid, attached hereto.

ARTICLE 2 - COMMENCEMENT AND COMPLETION OF WORK

2.01 Commencement of Work

- A. Contractor shall commence Work on the date established in the Notice to Proceed (Commencement Date).
- B. Owner reserves the right to modify or alter the Commencement Date

2.02 Completion of Work

- A. Contractor shall achieve Final Completion of the entire Work 90 Working Days, as defined in Document 01422, from the Commencement Date.

ARTICLE 3 - LIQUIDATED DAMAGES FOR DELAY IN COMPLETION OF WORK

3.01 Liquidated Damage Amounts

- A. As liquidated damages for delay Contractor shall pay Owner one thousand dollars (\$1,000) for each Calendar Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

3.02 Scope of Liquidated Damages

- A. Measures of liquidated damages shall apply cumulatively

- B. Limitations and stipulations regarding liquidated damages are set forth in Document 00700 (General Conditions).

ARTICLE 4 - CONTRACT DOCUMENTS

- 4.01 Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Document 00001	Title Page
Document 00100	Notice to Contractors
Document 00200	Instruction to Bidders
Document 00300	Geotechnical Data and Existing Conditions
Document 00410	Bid Form
Document 00412	Bidder Registration Form
Document 00431	Subcontractors List
Document 00452	Non-Collusion Declaration
Document 00455	Bidder Certifications
Document 00500	Agreement
Document 00501	Proposed Contract Documents Transmittal
Document 00601	Construction Performance Bond
Document 00602	Construction Labor and Material Payment Bond
Document 00603	Guaranty
Document 00590	Release of Claims
Document 00700	General Conditions
Document 00738	Apprenticeship Programs
Document 00800	Supplementary Conditions – Insurance
Master Specifications, Drawings	Divisions 1 through 16

- 4.02 There are no Contract Documents other than those listed above. The Contract Documents may only be amended, modified or supplemented as provided in Document 00700 (General Conditions).

ARTICLE 5 – LIABILITY OF AUTHORITY

- 5.01 The liabilities or obligations of Authority with respect to its activities pursuant to this Agreement shall be the liabilities or obligations solely of Authority and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the State of California.

ARTICLE 6 – MISCELLANEOUS

- 6.01 Terms and abbreviations used in this Agreement are defined in Document 00700 (General Conditions) and Section 01422 (Definitions) and will have the meaning indicated therein.
- 6.02 It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of Owner or acting as an employee, agent, or representative of Owner, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of Owner is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- 6.03 In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the

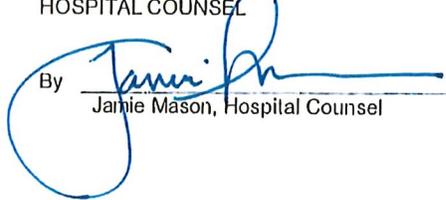
subcontract. This assignment shall be made and become effective at the time Owner tenders final payment to Contractor, without further acknowledgment by the parties.

6.04 This project is subject to prevailing wage laws. Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are deemed included in the Contract Documents and on file at Owner's Office, and shall be made available to any interested party on request. Pursuant to California Labor Code §§ 1860 and 1861, in accordance with the provisions of Section 3700 of the Labor Code, every contractor will be required to secure the payment of compensation to his employees. Contractor represents that it is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.

6.05 This Agreement and the Contract Documents shall be deemed to have been entered into in the County of Kern, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in the Superior Court for the County of Kern.

IN WITNESS WHEREOF the parties have executed seven original Agreements on the day and year first above written.

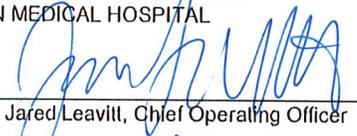
APPROVED AS TO FORM:
HOSPITAL COUNSEL

By 
Jamie Mason, Hospital Counsel

KERN COUNTY HOSPITAL AUTHORITY

By _____
Chairman, Board of Governors
"AUTHORITY"

APPROVED AS TO CONTENT:
KERN MEDICAL HOSPITAL

By 
Jared Leavitt, Chief Operating Officer

LEE CONSTRUCTION, INC.

Type of Entity
(corporation, partnership, sole proprietorship)

By 
Thad Bulkeley, Facility Director

By 
Signature

By _____
Russell V. Judd, Chief Executive Officer 

Fung Lee
Typed Name

President
Title of Individual Executing Document on behalf of Firm

"CONTRACTOR"

NOTICE: CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND ARE REGULATED BY CONTRACTORS' STATE LICENSE BOARD. QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THAT BOARD, WHOSE ADDRESS IS: CONTRACTORS' STATE LICENSE BOARD, 1020 "N" STREET, SACRAMENTO, CALIFORNIA 95814.

END OF DOCUMENT



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Proposed License and Services Agreement with Informatica LLC to provide software support for the legacy (Pre-Cerner) data

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed License and Services Agreement with Informatica LLC for the subscription and support of the Enterprise Data Catalog and SMB Cloud App Data Sync Bundle. These two products will be used to define the legacy data and for users to search the Kern Medical built data warehouse more quickly and efficiently. Currently, the legacy data is difficult to access and requires a large amount of Staff hours to locate data. Implementing this software will make Kern Medical more efficient and will create a savings, as Kern Medical must retain legacy data for another 7-10 years, and the use of a sustained data warehouse aligns with the Cerner Millennium data reporting needs.

This purchase will allow legacy data to be easily accessed and be able to be combined with Millennium data to create a complete patient record.

The term of the agreement is two years, effective July 15, 2020 with a maximum payable not exceed \$141,600 as outlined below.

A. Quote No. Q-48363:

Subscription	Costs
SMB Cloud App Data Sync Bundle per consecutive month – 24 months	39,000.00
Premium Success for Subscription - 24 months	7,800.00
Total	\$46,800.00

B. Quote No. Q-48364:

Subscription	Costs
Enterprise Data Catalog (Up to 15 Metadata Resources) Production Annual Subscription	79,000.00
Premium Success for Subscription - 24 months	7,800.00
Total	\$94,800.00
TOTAL COSTS: \$141,600.00	

The Agreement contains non-standard terms and cannot be approved as to form by Counsel due to the inability to terminate the Agreement without cause.

Therefore, it is recommended that your Board approve the proposed License and Services Agreement with Informatica LLC from July 15, 2020 through July 14, 2022, in an amount not to exceed \$141,600, and authorize the Chairman to sign.



INFORMATICA LICENSE AND SERVICES AGREEMENT ("ILSA")

This Informatica License and Services Agreement ("Agreement") is entered into between **Informatica LLC** ("Informatica") and **Kern County Hospital Authority** ("Customer") as of the last date signed below ("Effective Date"). All headings are for ease of reference are for convenience only, and do not affect interpretation.

As you read this document, please note that Informatica is referred to as "We," "Us" or "Our(s)" and your organization is referred to as "You" or Your(s).

1. SCOPE OF USE

Some defined terms that You should be familiar with are:

Software means Informatica-branded computer programs You may install on equipment owned or operated by You or a third party on your behalf.

Cloud Services means Informatica-branded offerings made available to You on demand via the Internet from equipment owned or operated by or for Us.

Professional Services means consulting or training services provided by Us either remotely via the Internet or in person.

Support Services means, as applicable to Your order, access to Our help desk and to updates, upgrades, patches and bug fixes.

Products means Software and Cloud Services.

1.1 **Transaction Documents.** Under this Agreement You can acquire Products, Professional Services and Support Services. All Products and Support Services will be identified on our order form that We refer to as an Exhibit A ("Order") and Professional Services will be specified in a Statement of Work ("SOW"). Each Order and each SOW is a separate contractual commitment and must be signed by both You and Us. We or our own local affiliates will also honor any legal Order executed by your Affiliates. "Affiliates" is any corporation or other business entity which controls, is controlled by or is under common control with a party through the ownership of more than fifty percent (50%) of the outstanding voting stock of the controlled corporation or more than fifty percent (50%) of the equity interests of a non-corporate entity.

1.2 **Software.** When You sign an Order, We grant You and Your Affiliates a non-exclusive, non-transferable, non-sublicensable and perpetual (unless terminated as provided for in this Agreement or, in the case of subscription license, in an Order) license to use, in object code format, the Software identified in the Order and any updates provided under Support Services, subject to the terms of this Agreement and the Order. Any references to a "sale" or a "purchase" of the Products in this or any other document means "license" in accordance with the terms contained in this Agreement.

For each copy of the Software licensed, You may only install one (1) instance of the Software. Except for a reasonable number of backup copies of the Software, You can't copy the Software. All titles, trademarks and copyright and restricted notices must be reproduced in any copies.

If You install updates to Software made available under

Support Services, You must uninstall and cease use of all previous versions of the Software, so that Your actual use and deployment of the Software corresponds to the quantities that You actually licensed and paid for.

1.3 **Cloud Services.** If You would like to deploy Cloud Services, We grant You and Your Affiliates a non-exclusive, non-transferable, worldwide right to authorize individuals solely within Your and Your Affiliates' organization ("Users") to access or exchange data via the Cloud Services during the Term (as defined in Section 8 below), but only for Your own internal business purposes and subject to the terms and conditions of this Agreement and terms associated with the specific Cloud Services contained in the Order and applicable schedule(s). We are not responsible for web pages or servers that are not owned or controlled by Us, even if linked to (including via application programming interfaces) the Cloud Service. We do not endorse any sites on the Internet that are linked through the Cloud Service; such links are provided to You and your Users only as a convenience. In addition, certain third-party providers of ancillary software, hardware or services may require Your agreement to additional or different license or other terms prior to Your or Your Users' use of or access to such software, hardware or services. Cloud Services offerings may include a limited-use subscription to on-premise Software as described in the applicable schedule(s), and use of such Software must comply with all license terms. Under no circumstances may the Cloud Services be used for any illegal or illicit purpose in any geography where the Cloud Services are used. You must: (i) protect the secrecy of Your authorized user IDs and passwords; (ii) notify Us immediately of any unauthorized use of any user ID or password or any other known or suspected breach of security; and (iii) report to Us immediately and use reasonable efforts to stop any copying or distribution of content not authorized by Us. You agree that anyone who inputs a valid user ID and password will be deemed an appropriate User unless and until You notify Us otherwise in writing. Any individual User who has violated this Section may have its account suspended.

1.4 Subject to Your opt-out rights described in this section, Software will automatically transmit to Us information about the computing and network environment in which the Software is deployed and the data usage and system statistics of the deployment. Cloud Services will automatically collect information about the operation, organization, and use of the Cloud Services, possibly including the user ID, password, IP address and Metadata as described in the Cloud and Support Security Exhibit, but not including Customer Data (as defined below). Such information will be used to improve the Products and customer experience including facilitation of support services and usage suggestions. See our privacy policy available at <http://www.informatica.com/privacy-policy.html> for a more complete list of the information processed, the purposes for which it is processed, and how it is maintained. You may disable Software collection of information by following Instructions available upon installation and in the Documentation. Collection of information by Cloud Services including any associated Software is necessary to provide the

Cloud Services and cannot be disabled.

Use of the Products shall be limited to the internal data processing and computing needs of You and Your Affiliates and to the terms and conditions set forth in the Informatica Product Description Schedule current at the time of licensing, a copy of which shall be made available to You upon request. You can't make the Products available to unauthorized third parties. The Products may not be used for outsourcing or service bureau purposes or otherwise processing third party data for the benefit of any third party. You can't relicense, rent or lease the Products for third-party training or commercial time-sharing. You agree that you won't distribute, sell, sublicense, subcontract or otherwise transfer copies of or rights to the Products or any portion thereof, and shall not use the Products except as expressly permitted hereunder. No third-party software that is provided with the Products may be used independently from the Products. Unless otherwise mutually agreed in writing and except to the extent required to obtain interoperability with other independently created software or as specified by law, You agree to not adapt, translate, reverse engineer, decompile or otherwise derive the source code for Products or any of the related features of the Products or to allow third parties to do so. You can't use the Products for benchmarking or other competitive purposes.

1.5 Service Providers. You do have the right to sublicense the use of the Products to external service provider(s) ("Service Provider(s)") solely for purposes of providing outsourcing services for Your benefit and solely for the duration of such outsourcing services. The rights accorded to the Service Provider shall be those permitted in the Agreement and any Order, and no duplication of the quantities of Products purchased is permitted. You are fully responsible for the Service Provider's use of the Products in accordance with the terms of the Agreement and any Service Provider breach of the Agreement.

1.6 Documentation. You can print a reasonable number of copies of the softbound version of the documentation provided with the Products ("Documentation") solely for internal use.

1.7 Proprietary Rights. We own all proprietary rights, including all patent, copyright, trade secret, trademark and all other proprietary rights, in and to the Products and any corrections, bug fixes, enhancements, updates or other modifications and derivatives, including custom modifications, to the Software and all other deliverables. We reserve all rights not expressly granted to You.

2. SUPPORT SERVICES

If We receive payment of the applicable annual Support Services fee ("Support Fees"), We will provide the Support Services for the Products as set forth in the Order and the Informatica Global Customer Support Guide valid at the time of signature of the Order and available at <https://network.informatica.com/docs/DOC-3015>. Details of Support Guide may be modified from time to time but We warrant to You that no such modification will materially degrade the Support Services.

3. FEES, CHARGES, TAXES AND DELIVERY

3.1 Perpetual Licensed Software. We will send you an invoice for the total license and initial annual Support Fees upon delivery of the Software. Except as otherwise provided in this Agreement, those fees are non-refundable, non-contingent and non-cancelable.

3.2 Support Services for Perpetual Licensed Software. The Support Fees for subsequent years will be invoiced annually after We issue You Our quote for Support Services ("Renewal Quote") which will be issued approximately sixty (60) days prior to the start of each annual Support Services term. The initial annual Support Fees for the first year of Support Services will be specified on the initial Order. After the first year of Support Services, We may increase the annual Support Fees by five percent (5%) from the annualized fee paid in the prior year.

3.3 Cloud Services and/or Subscription Licensed Software. You will pay all fees and charges for Cloud Services and for Software licensed on a subscription basis as per the applicable Order. Those fees will cover the Term that is specified in the Order. You will be billed shortly after contract execution for Your Cloud Services and/or Your subscription-based Software license. In cases of a multi-year subscription, unless otherwise stated in the Order, We will invoice You for Your first year of service upon contract execution and then annually sixty (60) days in advance of each contract anniversary. We may suspend the provision of any Software subscription license or Cloud Services in the event that any invoice remains unpaid in excess of thirty days. Each year within a specified term requires payment in exchange for the continued Software subscription license or provision of Cloud Service. Quantities of subscription license Software and Cloud Services may not be decreased during the relevant subscription term. Except as expressed within an Order, these fees are not subject to early termination or cancellation and this obligation may not be waived. Our right to collect these fees is absolute except in the context of a breach of the warranty provided in Section 6, a termination pursuant to Section 7.2, or a material breach by Us of this Agreement that renders the Software or Service unusable for the term at issue. Unless You elect to purchase an enhanced Support Service the subscription fee is inclusive of the Support Services on the subscription.

3.4 Timing. All invoices for Products and services are due and payable within thirty (30) days of receipt.

3.5 Review. Informatica may, on at least ten (10) business days' prior written notice and not more than once every twelve (12) months, during Your normal business hours, review and validate Your compliance with the Agreement and deployment of the Software. You agree to provide accurate and complete information within ten (10) days of Informatica's request in a form and format reasonably satisfactory to Us, and to immediately remit to Us any shortfall in payment disclosed by the review.

3.6 Taxes. You shall pay all applicable taxes however designated, levied or based on the prices, terms or performance of this Agreement including, without limitation, federal, state and local sales, use, goods and services, value-added, or equivalent "indirect" taxes and duties,

unless You give us appropriate documentary evidence of exemption as prescribed by the tax authorities. Where applicable, We shall ensure that our invoices to You meet the requirements for deduction/claim of input tax credits. You acknowledge and agree that subject only to the warranty remedies, all fees are non-cancelable, non-contingent and non-refundable. Fees are owed and are to be paid in exchange for the rights granted and services made available hereunder and not based on actual use of the Products.

3.7 The Products, Documentation, and all updates furnished under Support Services shall be delivered electronically.

4. CONFIDENTIALITY

4.1 For purposes of this Agreement the party disclosing Confidential Information is referred to as the "Disclosing Party" and the party receiving Confidential Information is referred to as the "Receiving Party". "Confidential Information" means the Products (both object and source code versions of Software), the accompanying Documentation and all related technical and financial information (including the terms of this Agreement) and any information, technical data or know-how, including, without limitation, that which relates to computer software programs or Documentation, specifications, source code, object code, research, inventions, processes, designs, drawings, engineering, products, services, customers, company structure/ownership, markets and finances of the Disclosing Party which (i) has been marked as confidential; (ii) is identified as confidential at the time of disclosure either orally or in writing; or (iii) due to its character and nature, a reasonable person under like circumstances would understand to be confidential. All Our software, computer code, product development and marketing plans, and non-public financial and human resources data, materials and information are deemed to be Confidential Information.

4.2 Confidential Information shall not include information which (a) Receiving Party can demonstrate was rightfully in its possession, without confidentiality obligations, before receipt; (b) is or subsequently becomes publicly available without Receiving Party's breach of any obligation owed the Disclosing Party; (c) is disclosed to Receiving Party, without confidentiality obligations, by a third party who has the right to disclose such information; or (d) Receiving Party can demonstrate was independently developed without reliance on any Confidential Information of the Disclosing Party, provided that if only part of any Confidential Information falls within one or more of the exceptions set out in this Section 4.2, the remaining part of the Confidential Information shall continue to be subject to the restrictions set forth in this Agreement.

4.3 Both parties agree that: (a) Receiving Party may use Confidential Information solely for the purposes of this Agreement; (b) Receiving Party shall instruct and require all of its employees, agents, and contractors who have access to the Confidential Information of the Disclosing Party to maintain the confidentiality of the Confidential Information; (c) Receiving Party shall exercise at least the same degree of care, but not less than reasonable care, to safeguard the confidentiality of the Confidential Information as Receiving

Party would exercise to safeguard the confidentiality of Receiving Party's own confidential property; (d) Receiving Party shall not disclose the Confidential Information, or any part or parts thereof, except on a "need to know" basis to those of its employees, agents, and contractors who are bound to confidentiality obligations at least as protective of the Confidential Information as those set forth in this Agreement; and (e) Receiving Party may disclose the Disclosing Party's Confidential Information to the extent required by a valid order by a court or other governmental body or by applicable law, provided, however, that Receiving Party will use all reasonable efforts to notify Disclosing Party of the obligation to make such disclosure in advance of the disclosure so that Disclosing Party will have a reasonable opportunity to object to such disclosure and further provided the Receiving Party shall otherwise continue to treat such Confidential Information in accordance with this Agreement. The Receiving Party's obligations shall also be applicable to Confidential Information disclosed by the Disclosing Party to the Receiving Party prior to the execution of this Agreement. The Receiving Party will return any tangible materials containing Confidential Information, and any copies or reproductions thereof, to the Disclosing Party within ten (10) days after the Disclosing Party's written request. Receiving Party agrees to undertake whatever action is reasonably necessary to remedy any breach of Receiving Party's confidentiality obligations or any other unauthorized disclosure or use of the Confidential Information by Receiving Party, its employees, its agents, or contractors. The Receiving Party acknowledges that monetary damages may not be a sufficient remedy for unauthorized disclosure of Confidential Information and that the Disclosing Party shall be entitled, without waiving any other rights or remedies, to such injunctive or equitable relief as may be deemed proper by a court of competent jurisdiction without the necessity of posting any bond. We are aware that You are a government entity and subject to the California Public Records Act, Cal.Govt.Code §6250 et seq., the Brown Act, Cal.Govt.Code §54950 et seq., and other laws pertaining to government entities. Information required by law to be disclosed will not be considered proprietary and confidential by the parties and will be disclosed only to the extent required to comply with that legal obligation.

4.4 Privacy and Security. We follow the privacy policy available at <https://www.informatica.com/privacy-policy.html>. Cloud Services may use third-party infrastructure, which are independently audited and certified as SOC 2 compliant. Based on our reasonable diligence We comply with all laws applicable to Us as the provider of the Cloud Services. We process Customer Data (as defined in Section 6.2) via the Cloud Services on behalf of You only and in accordance with the terms of this Agreement and any reasonable instructions that You might give Us from time to time. We reserve the right to hire other companies to provide services on Our behalf in connection with Our provision of the Cloud Service. We will prohibit such subcontractors from using Customer Data for any purpose other than to perform services on Our behalf. We reserve the right to transfer Customer Data to the U.S. and other countries for processing in connection with Our provision of the Cloud Service. We will maintain reasonable administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of customer data as described in the Cloud and Support Security Exhibit to the Informatica

License and Services Agreement available here: <https://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/legal/online-cloud-and-support-security-addendum.pdf>. Those safeguards will include measures for preventing access, use, modification and disclosure of Customer data except (a) to provide the Services and prevent or address service or technical problems, (b) as compelled by law or (c) as You may expressly permit in writing. Where Your use of any Products Support Services or Professional Services includes the processing of personal data by Informatica, the terms of the data processing agreement at <https://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/legal/online-data-processing-agreement.pdf> shall apply to such processing, and are hereby incorporated by reference.

5. PROFESSIONAL SERVICES

5.1 Professional Services. We can provide You with Professional Services if You wish. All those Professional Services will be described in SOWs. You can have none, one or multiple SOW's under this Agreement.

5.2 Warranty. We warrant that Professional Services will be provided in a professional manner. If at any time You are dissatisfied with the performance of an individual working on a project, just report the problem to Us in writing and ask Us to replace the individual. For a time and materials SOW, We warrant that the Professional Services and deliverables will substantially conform to the agreed upon specifications set forth in the SOW. If we breach these warranties then at no additional cost We will promptly re-perform any warranted Professional Services or re-deliver a non-conforming deliverable but We have to be notified within thirty (30) days after the delivery of such non-conforming services or deliverables. Nonconformity is a material or substantial deviation from the applicable specifications set forth in the SOW to which the parties have mutually agreed in writing. Re- performance of the Service or replacement of the deliverable will be the sole remedy for breach of this warranty. If re-performance or replacement does not cure the breach, We will refund that portion of the Professional Service fees associated with the non-conforming services. A breach by either party of a SOW is not deemed to be a breach under any other SOW or this Agreement.

5.3 Compensation of Informatica. Each SOW shall contain the charges for the Professional Services ("Consulting Fees") and shall be provided on a time and materials basis unless otherwise specified. You will reimburse Us for reasonable travel and living expenses per Your travel policy attached hereto as Exhibit B and incorporated herein by reference, as may be subsequently updated in an SOW by mutual agreement of the parties. If You want to cancel or reschedule Professional Services, that must be done in writing and We can charge a reasonable cancellation/rescheduling fee per consultant if the Professional Services are canceled or rescheduled less than three (3) business days prior to the scheduled visit. To cancel an engagement which is in progress, You must give Us at least two (2) weeks written notice of cancellation, and We have the right to collect Consulting Fees for the Professional Services performed during

such two (2) week period prior to the cancellation date.

5.4 Ownership. The material delivered to You by Us contains pre-existing material developed by Us or our licensors. As such We own it and We retain all right, title and interest in all such pre-existing material. However, You do have a non-exclusive, world-wide royalty- free license to use, copy and authorize others to use such pre-existing material (other than commercially available Informatica products, documentation and Informatica training materials) solely as part of the project for which such material was delivered and in accordance with the terms of this Agreement. Except as otherwise expressly provided in this Agreement We grant no other license(s) to any of its intellectual property and no other transfer of Our intellectual property is made hereunder.

5.5 Insurance. We will maintain insurance during the term of this Agreement in an amount satisfying applicable laws. Upon request, We will provide You with proof of all applicable insurance coverages.

6. WARRANTY

6.1 Software Warranty. The Software will operate in conformity with the then current standard Documentation (except for minor defects or errors not material to the core functionality of the Software under normal use and circumstances) for a period of ninety (90) days from the date of initial delivery of the Software ("Warranty Period"). If the Software does not perform in accordance with the foregoing warranty during the Warranty Period, You must tell Us so in writing and during the Warranty Period and assuming We can verify such nonconformity, We will use reasonable efforts to correct any deficiencies in the Software so that it will perform in accordance with such warranty. Your sole and exclusive remedy, and Our sole obligation in the event of nonconformity of the Software with the foregoing warranty will be the correction of the condition making it nonconforming. If We are not able correct the alleged breach of warranty then We will refund applicable fees paid for a perpetual license to the Software and will refund applicable fees paid for the remainder of the Term for subscription licensed Software. Your obligation is to provide all information reasonably requested to enable Us to cure the nonconformity. The above warranty specifically excludes defects resulting from accident, abuse, unauthorized repair, modifications, misapplication, or use of the Software that is otherwise materially inconsistent with the Documentation.

6.2 Cloud Services Warranty. We warrant that the Cloud Service are provided in a manner consistent with the applicable Documentation under normal use and circumstances. You warrant that (i) You will neither falsely identify Yourself nor any User, nor provide any false information to gain access to the Cloud Service and that the billing information that you give Us is correct, and any data, information or material that You and Your Users process or submit to the Cloud Services in the course of using the Cloud Services including any personally identifiable information ("Customer Data") does not violate the privacy rights of, or defame, any data subject or third party, and (ii) You will provide any necessary notices and obtain any necessary consents from applicable data subjects as

required by applicable law, rule or regulation for Us and You to process Customer Data via the Cloud Services. We don't own Customer Data. You agree to back up all of Your Data. You own all Customer Data. You and not We shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property rights in all Customer Data. You are solely responsible for ensuring that provision of Customer Data to Us for processing via the Cloud Services is in compliance with all applicable laws. You understand and acknowledge that use of the Cloud Services to process Customer Data, including any "protected health information," as defined under the Health Insurance Portability and Accountability Act or Sensitive Personal Data as defined under the EU Directive 95/46/EC as enacted in the member states of the European Union does not mean that You are absolved of Your responsibility to safeguard this type of data. You will not: (i) use the Cloud Services in violation of applicable Laws; (ii) send or store infringing, obscene, threatening, or otherwise unlawful or tortious material, including material that violates privacy rights in connection with the Cloud Service; (iii) send or store malicious code in connection with the Cloud Service; (iv) damage, disable, overburden, impair, interfere with or disrupt the Cloud Service; (v) attempt to gain unauthorized access to any systems or networks that connect thereto or otherwise interfere with the operation of the Cloud Services or in any way with the use or enjoyment of the Cloud Services by others; (vi) permit more Users to access or use the Cloud Services than are permitted in the applicable Order; (vii) allow more than one individual to use a User account; (viii) make the Cloud Services available to any third party (via a services arrangement, service bureau, lease, sale, resale, or otherwise); and, (ix) exceed any applicable bandwidth usage or storage capacity limit. WE AND OUR LICENSORS MAKE NO REPRESENTATION, WARRANTY OR GUARANTY AS TO THE RELIABILITY, TIMELINESS, QUALITY, SUITABILITY, AVAILABILITY, ACCURACY OR COMPLETENESS OF THE CLOUD SERVICES OR ANY CONTENT. INFORMATICA AND ITS LICENSORS DO NOT REPRESENT OR WARRANT THAT (i) THE USE OF THE CLOUD SERVICES WILL BE ENTIRELY SECURE, UNINTERRUPTED OR ERROR-FREE OR OPERATE IN COMBINATION WITH ANY HARDWARE, SOFTWARE OR SYSTEM (ii) ALL ERRORS OR DEFECTS WILL BE CORRECTED, OR (iii) THE CLOUD SERVICES ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. The Cloud Services may be subject to limitations, delays, inaccessibility and other problems that are inherent in the use of the Internet and We are not responsible for and disclaim all liability for any delays, failures or damage resulting from such problems.

6.3 EXCEPT AS EXPRESSLY SET FORTH ABOVE, THE CLOUD SERVICES AND SOFTWARE, INCLUDING WITHOUT LIMITATION ALL INFORMATICA CONTENT, ARE PROVIDED TO YOU STRICTLY ON AN "AS IS" BASIS. ALL CONDITIONS, REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY INFORMATICA AND ITS

LICENSORS.

7. INTELLECTUAL PROPERTY INDEMNIFICATION

7.1 If a third party sues You claiming that the Product infringes the third party's patent, copyright, or trade secret, then subject to the provisions below we will indemnify You and defend and hold You harmless from any fees, fines, costs, liens, judgments or expenses actually awarded or incurred arising from any third party intellectual property claim and from any claims filed as a result of bodily injury (including death) or damage to tangible property. Our obligation to indemnify You is contingent on the following: (a) We must be given prompt written notice of and all available information about any such claim; (b) We have the right to control and direct the defense and any settlement of such claim provided however that no such settlement requires admission of wrongdoing or payment of damages on the part of You (and if You wish you can participate but not control the defense of the claim and have Your own Counsel); and (c) you reasonably cooperate with Informatica in such defense.

(a) We won't indemnify You and we have no responsibility for any third-party action that arises in any way out of any of the following: (a) any modification of the Products (b) any failure to implement updates to the Products as supplied by Us under Support Services; (c) the combination, operation, or use of the Products with non-Informatica programs, data or documentation, if such action would have been avoided by the use of the Products without such combination, operation or use; (d) any use of the Products that is not expressly permitted under this Agreement; (e) Your continued use of infringing Products after termination or after We supply modified or replacement non-infringing Products as contemplated under 7.3(a) below, or (f) materials developed by Us in accordance Your instructions.

7.2 If We think that the Products are likely to or do become the subject of a claim of infringement, then We may at Our sole option and expense do one of the following: (a) modify the Products to be non-infringing while preserving substantially equivalent functionality; (b) obtain for You at Our expense a license to continue using the Products; or (c) terminate this Agreement and the license granted hereunder, accept return of the Products and refund a pro rata portion of the applicable fee paid for that portion of the Products which is the subject of the claim. For perpetual licensed Software the refund will be based on a straight-line amortization over a five (5) year term beginning on the date of initial delivery of the Products. For Cloud Services and subscription licensed Software, the refund will be the prepaid and unearned fees covering the remainder of the Term (as defined in Section 8.1 below).

7.3 THE FOREGOING STATES THE ENTIRE LIABILITY AND OBLIGATION OF INFORMATICA, AND YOUR SOLE AND EXCLUSIVE REMEDY, WITH RESPECT TO ANY INFRINGEMENT OR CLAIMS OF INFRINGEMENT BY THE PRODUCT, OR ANY PART THEREOF, OF ANY PATENT, COPYRIGHT, TRADE SECRET OR OTHER PROPRIETARY RIGHT.

8. TERM, TERMINATION; EFFECTS OF

TERMINATION

8.1 Subscription License and Cloud Services Term.

The term for each subscription license and/or Cloud Services ("Term") is: (i) the time period specified in the Order, commencing on the date of delivery or (ii) for Cloud Services provided on a transaction basis, the Term shall be the validity period for processing the transactions and any renewal terms in the Product Description Schedule unless specifically stated in the Order.

8.2 Either party has the right to terminate this Agreement and any and/or all rights granted under this Agreement upon written notice to the other party if the other party: (a) is in default of any obligation hereunder which default is incapable of being cured, or which, being capable of being cured, has not been cured within thirty (30) days after receipt of written notice of such default; or (b) becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, or has been liquidated, voluntarily or otherwise.

8.4 Immediately upon termination, the licenses granted hereunder and rights to use shall terminate, and You must stop using the Products. Within five (5) days after termination You will de-install the Software and all copies and (a) return the Software and all copies or (b) destroy the Software and all copies and certify in writing that they have been destroyed.

8.5 If you terminate the Agreement, You still must pay all fees accruing prior to termination.

8.6 Sections 3, 4, 5.3, 5.4, 6.3, 7.2, 7.3, 7.4 and 8 through 10 shall survive termination of this Agreement.

9. LIMITATION OF LIABILITY

9.1 EXCEPT FOR LIABILITY THAT CANNOT BE LIMITED OR EXCLUDED AS A MATTER OF LAW, (A) IN NO EVENT WILL EITHER PARTY OR INFORMATICA'S LICENSORS OR RESELLERS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING DAMAGES FOR LOSS OF PROFITS, REVENUE, DATA OR DATA USE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; AND (B), THE LIABILITY OF US AND OUR LICENSORS OR RESELLERS TO YOU ARISING FROM THIS AGREEMENT OR THE USE OF THE PRODUCTS, OR SERVICES, HOWEVER CAUSED, AND ON ANY THEORY OF LIABILITY, INCLUDING CONTRACT, STRICT LIABILITY, NEGLIGENCE OR OTHER TORT, SHALL NOT EXCEED TWELVE (12) MONTHS FEES PAID FOR THE PRODUCTS OR SERVICES GIVING RISE TO THE APPLICABLE LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, OUR LIMITATION OF LIABILITY SHALL NOT APPLY TO, AFFECT OR LIMIT ANY BREACH OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS BY US OR OF OUR DUTY TO INDEMNIFY YOU FOR THIRD PARTY CLAIMS ASSOCIATED WITH OUR INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 7.1 OF THIS

AGREEMENT.

9.2 We have no responsibility or liability with respect to any content or data that You process with the Products. You acknowledge and agree that (i) the Products function only as a tool or vehicle for data processing; (ii) We can't control the jurisdiction where the data originates; and (iii) neither We nor our Products is a "data controller" or similar under applicable law with respect to Your content or data. You acknowledge and agree that as between You and Us you are the sole "data controller" and You ensure that You are in full compliance with applicable data protection and privacy laws, especially with laws that apply to the use or transmission of sensitive information, personal information or personally identifiable information.

9.3 THESE LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY REMEDY. EACH PARTY ACKNOWLEDGES THAT THE FEES, EXCLUSIONS, DISCLAIMERS OF WARRANTIES AND LIMITATIONS OF LIABILITY SET FORTH IN THIS AGREEMENT ARE NEGOTIATED AND AGREED UPON ESSENTIAL COMPONENTS OF THIS AGREEMENT AND NEITHER PARTY WOULD ENTER INTO THIS AGREEMENT WITHOUT SUCH WARRANTY DISCLAIMERS AND LIMITATIONS ON ITS LIABILITY. THE PARTIES ACKNOWLEDGE AND AGREE THAT THESE DISCLAIMERS AND LIMITATIONS ARE NOT UNCONSCIONABLE AND THESE DISCLAIMERS AND LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

9.4 Your Liability. Informatica agrees that Your liabilities or obligations with respect to Your activities pursuant to this Agreement shall be solely Your liabilities or obligations and shall not be or become the liabilities or obligations of the County of Kern, California, or any other entity, including the State of California as stated in the California Health and Safety Code, Section 101853(g).

10. GENERAL

10.1 Unless you notify us within ten days of acquiring the Software or Service, We can include Your name in a public list of current customers who use Our products, provided that (a) Your name is not highlighted and does not stand out in comparison to the names of other customers; and (b) We don't make any representation or attribute any endorsements to You without prior written consent.

10.2 This Agreement may not be amended except by a writing signed by both parties. Purchase Orders or other documents regarding the Products provided under this Agreement issued by You, are for Your internal use only, and any provisions contained in any such document shall have no effect whatsoever upon this Agreement.

10.3 A party is not liable for non-performance of obligations under this Agreement, if the non-performance is caused by events or conditions beyond that party's control, the party gives prompt notice and makes all reasonable efforts to perform. In no event will this provision affect a party's obligation to make payments under this Agreement.

10.4 All terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns. We can assign, novate or otherwise transfer Our rights and obligations under this Agreement to an Affiliate or incorporate an Affiliate as a party to this Agreement or in connection with a merger, reorganization, acquisition or other transfer of all or substantially all of Our assets or voting securities or for bona fide restructuring purposes. You can assign this Agreement with Our prior knowledge and consent.

10.5 This Agreement shall be governed by California law, without regard to conflict of law provisions. The application of Uniform Computer Information Transactions Act (UCITA) or the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded. In the event that either party brings an action, proceeding or arbitration to enforce the provisions of this Agreement, the prevailing party may be entitled to collect all reasonable attorneys' fees and expenses incurred in connection therewith. The Parties acknowledge and agree that the Uniform Commercial Code is not applicable to transactions under this Agreement.

10.6 The waiver or failure of a party to exercise in any respect any rights provided for in this Agreement shall not be deemed a waiver of any further right under this Agreement. If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be severed from this Agreement and the other provisions shall remain in full force and effect.

10.7 If Customer is a branch or agency of the U.S. Government, use, duplication or disclosure of the Products

is subject to the restrictions set forth in this Agreement except that this Agreement shall be governed by federal law. Any additional rights or changes desired by the U.S. Government shall be negotiated with Informatica consistent with Section 10.2.

10.8 Each party acknowledges its obligation to comply with all applicable laws, rules, statutes and regulations, including specifically but not limited to export laws including Bureau of Export Administration restrictions and anti-corruption legislation. Each party warrants that, to the best of its knowledge no money or other consideration of any kind paid or payable under this Agreement or by separate agreement is, has been or will be used for unlawful purposes, including purposes violating anti-corruption laws, including making or causing to be made payments to any employee of either party or anyone acting on their behalf to assist in obtaining or retaining business with, or directing business to, any person, or securing any improper advantage.

10.9 We are an independent contractor and Our personnel are not and shall not be considered employees or agents of Your company for any purpose whatsoever.

10.10 This Agreement, the attached exhibits, the Product Description Schedule, the attached addenda and each supplemental exhibit entered into the parties constitutes the entire agreement between the parties with respect to the Products and supersedes any prior or contemporaneous understandings, oral or written, and all other communications between the parties. You acknowledge that You have not relied on the availability of any future version of the Products or any future product in executing this Agreement. This Agreement may be executed via electronic copy signature.

<p>INFORMATICA Informatica LLC 2100 Seaport Boulevard Redwood City, CA 94063 Attn: Legal Department</p> <p>DocuSigned by: Signature: <u>Joyce Hillmann</u> 0781B1537E98477... Name: <u>Joyce Hillmann</u> Title: <u>Senior Contracts Manager</u> Date: <u>7/7/2020</u></p>	<p>CUSTOMER Name: Kern County Hospital Authority Address: 1700 Mount Vernon Avenue Bakersfield, California 93306 Attn: _____</p> <p>Signature: _____ Name: <u>Russell Bigler</u> Title: <u>Chairman, Board of Governors</u> Date: _____</p>
---	--

**REVIEWED ONLY
 NOT APPROVED AS TO FORM**

By [Signature]
Legal Services Department

**EXHIBIT A
Order Form**

[To be attached]



Quote ID: Q-48363
 Quote Expires: 7/30/2020
 Quote Type: New
 Currency: USD
 Payment Terms: Net 30
 Success Offering: Premium Success

END USER	SHIP TO	BILL TO
Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775 jaishree.mclane@kernmedical.com	Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775 jaishree.mclane@kernmedical.com	Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775 jaishree.mclane@kernmedical.com

SUBSCRIPTION	QTY	TERM
SMB Cloud App Data Sync Bundle per consecutive month	1	24
SUBTOTAL		\$39,000.00

SUBSCRIPTION SUPPORT	QTY	TERM
Premium Success for Subscription	1	24
SUBTOTAL		\$7,800.00

GRAND TOTAL USD \$46,800.00



Customer shall make two (2) equal payments of \$23,400 (plus applicable taxes, if any) with the first such payment being due within thirty (30) days of receipt of Informatica's invoice which invoice shall be issued following execution of this Exhibit A. Informatica shall issue a subsequent invoice annually thereafter, and payment shall be due within thirty (30) days of receipt of such invoice.

In accordance with Article XVI, Section 18 of the California Constitution, this Agreement creates no indebtedness or liability for Customer in any manner or for any purpose exceeding in any year the income and revenue provided for such year. All fees are non-cancellable, non-refundable and non-contingent subject only to any legislatively mandated fiscal funding cancellation due to non-appropriation of funds.

Customer is entitled to receive licenses for one (1) Tier D Connector and one (1) Tier C Connector with the Product listed above. Customer has elected to receive instead two (2) Tier C Connectors, which it may select from among the Cloud server instances, software applications or data types, as applicable, supported for such Tier C Connectors.

You agree that the Informatica offering(s) set forth above are governed by the terms in (i) your negotiated agreement, if any, applicable to the offerings, or the Informatica License and Services Agreement ('ILSA') at <https://www.informatica.com/legal/informatica-license-services-agreement.html>; (ii) the applicable Product Description Schedule at <http://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/informatica-product-description-schedule.pdf> or Cloud Description Schedule at <http://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/informatica-cloud-description-schedule.pdf>; (iii) the current Informatica Customer Support Guide available at <https://network.informatica.com/docs/DOC-3015>; and (iv) where Informatica's provision of the offerings includes the processing of personal data by Informatica, the data processing agreement at <https://www.informatica.com/content/dam/informatica-com/en/docs/legal/online-data-processing-agreement.pdf>, which are incorporated by reference (collectively the 'Agreement'). You agree to pay for the fees set forth above and applicable taxes (except for taxes based on Informatica's net income) within thirty (30) days from receipt of invoice.

Customer may only install Software referenced above in the country set forth in the 'Ship To' address.

Notwithstanding anything to the contrary in the Agreement, the offerings set forth above made available on a subscription basis may only be used for the duration set forth above or otherwise set forth in the Product or Cloud Description Schedule ('Subscription Period'). Unless the parties agree to renew the Subscription Period, upon expiration of the Subscription Period, Customer will, and will cause other authorized users to, cease use of and access to the Product or Service uninstalls and destroy copies of any applicable Software from its systems and related technical documentation. Renewal of the Subscription Period shall be subject to the applicable renewal fees.

Renewals will be quoted assuming the same level of Products and Services as during the prior term and may be requested if the level of Products or Services are reduced.

Informatica will provide electronic transfer of Software and documentation furnished to the Customer.

By initialing, You confirm that a Purchase Order is NOT REQUIRED for the timely payment of this order (Initials: _____).

Informatica LLC
Declassified by:

By: Joyce Hillmann

Name: Joyce Hillmann
076181537E96477

Title: Senior Contracts Manager

Date: 7/7/2020

CUSTOMER: Kern County Hospital Authority

By:

Name: Russell Bigler

Title: Chairman, Board of Governors

Date:

REVIEWED ONLY
NOT APPROVED AS TO FORM

By: [Signature]
Legal Services Department



PRODUCT DESCRIPTION SCHEDULE

The Product Description Schedule in force at the time of purchase of software shall continue to apply to that software in perpetuity unless the software is upgraded and becomes subject to a more recent edition of the Product Description Schedule. Certain Informatica products are licensed with other Product licenses (often but not always restricted use licenses) included within them. In all such cases the included licenses are subject to all applicable terms set forth in the Product Description Schedule published at the link in the Exhibit A, unless the product that includes such licenses specifically states otherwise.

The Product Description Schedule definitions and general license terms can be found at this location: <https://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/informatica-product-schedule-definitions-and-terms.pdf>

5. THE PRODUCT DESCRIPTION SCHEDULE

Packaging

Informatica Cloud App Data Sync offers small businesses tailored functionalities designed to support data synchronization tasks across cloud applications and to provide limited Cloud Data Integration capabilities and simple orchestrations.

Data sync bundle includes:

- Connectivity
 - 1 Tier D connector
 - 1 Tier C or B connector
- Connectors may be purchased by Customer as set forth in the Connectivity Tier definitions on <http://network.informatica.com>
- Bulk read and write capabilities wherever connector and corresponding application supports Bulk data movement. Unlimited Tier-A Connectors
- Eight (8) Million transactions per month
 - A Transaction means a unique incoming API request (a message or an event) that triggers the creation of a process instance whether executed within the Cloud API and App Integration Service or a Secure Agent
- Cloud Mapping Designer (restricted use)

Integration Base:

- Cloud Data Synchronization Service
 - Provides bi-directional data loading and extraction capabilities as well as advanced scheduling to automate simple and complex multistep integrations between various cloud and Customer on-premise systems
- One (1) Secure Agent
- One (1) Sandbox
- Salesforce Outbound Messaging
 - An event listener that enables Informatica tasks to be invoked with Salesforce outbound events and messages.
- Simple orchestration (Taskflow)
 - Provides the ability to link multiple discrete Informatica Intelligent Cloud Services tasks and automate the execution with advanced scheduling options.
- Basic Named User and asset management
 - Provides the Informatica Intelligent Cloud Services Org Admin with the ability to create Named Users and user groups and assign default roles to them.
 - Enables Named Users to organize their design artifacts into Projects and Folders.
 - Activity logs, Task monitor and Audit logs
- Unlimited Integration Tasks
- Data Replication for SFDC
 - Connectivity:
 - Data Replication for Salesforce includes one (1) Tier-D connector for Salesforce and two (2) Tier-B connectors for relational databases. Additional Tier-D connectors may be licensed separately.

Mapping Designer enables enterprise data integration capabilities, including the ability to design and execute data integration tasks (mappings). Mapping Designer includes:

- Cloud Mapping Designer
 - Design time to develop advanced data integration mappings.
 - Includes Source, Target, Filter, Lookup, Hierarchy and Expression transformations



PRODUCT DESCRIPTION SCHEDULE

o License for advanced Data Integration and Data Warehousing capabilities requires license for Data Integration package. Limited to maximum of 100 mappings

License Terms

The Cloud App Data Sync Bundle is sold as a subscription and is restricted to net new Customers with annual revenues under US\$1 Billion in revenue (US\$2 Billion for Europe). Mapping Designer is licensed on a per Organization (and/or per Sub-Organization) basis. Limited to maximum of 100 mappings. Customer's use of Integration Base is restricted to one (1) Instance of Data Synchronization Service and Secure Agent, both of which are restricted to deployment solely in conjunction with the associated Integration Base subscription.

Projects and Folders are limited as follows: one (1) Project and unlimited folders.

Access Control features are not included in Integration Base

Secure Agent may be installed and operated on server(s) or verifiable partition(s) with up to four (4) CPU-cores.

Sandbox permits Customer to deploy all of the functions and features of the Production Environment in a Non-production Environment for development and test purposes. Additional Sandboxes can be purchased separately.

Packaging

Tailored for business critical deployments, Premium Success provides 24x7 access to Informatica support staff globally for Priority 1 issues. Premium Success includes:

- Global 24x7 Support: Customer may contact a member of Informatica Global Customer Support (GCS) to discuss technical Priority 1 issues at any time of day. Calls will be routed to the support engineer best qualified to help with the problem based on the time of day.
- Online Escalation: Customer may escalate an open service request to Informatica GCS management by selecting the escalate "button" available on our support portal.
- Continued Response SLA: Customer is provided with timely update to their issues.
- Online management of Customer cases through the Informatica support portal.
- Live Chat: Real Time, online chat session with a member of the Informatica Support Team for how-to questions or support issues. Live Chat is available for Cloud Customers from 9:00am to 5:30pm in the US, EMEA and Asia Pacific.
- Access to Informatica Discovery/Q (Cloud customers).
- Success Services: Exclusive services designed to drive adoption such as Success Academy access, adoption services and customer success engagements.

License Terms

Premium Success is offered on a subscription basis.

There is an annual contract value minimum required to purchase Premium Success. Please contact your Informatica Account Manager for details.



Quote ID: Q-48364

Quote Expires: 7/30/2020

Quote Type: New

Currency: USD

Payment Terms: Net 30

Success Offering: Premium Success

END USER	SHIP TO	BILL TO
Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775	Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775 jaishree.mclane@kermmedical.com	Kern County Hospital Authority Jaishree McLane 1700 Mount Vernon Ave Bakersfield, CA 93306 United States (818) 652-5775 jaishree.mclane@kermmedical.com

SUBSCRIPTION	QTY	TERM
Enterprise Data Catalog (Up to 15 Metadata Resources) (S) Production Annual Subscription	1	24
SUBTOTAL		\$79,000.00

SUBSCRIPTION SUPPORT	QTY	TERM
Premium Success for Subscription	1	24
SUBTOTAL		\$15,800.00

GRAND TOTAL USD \$94,800.00



Customer shall make two (2) equal payments of \$47,400 (plus applicable taxes, if any) with the first such payment being due within thirty (30) days of receipt of Informatica's invoice which invoice shall be issued following execution of this Exhibit A. Informatica shall issue a subsequent invoice annually thereafter, and payment shall be due within thirty (30) days of receipt of such invoice.

In accordance with Article XVI, Section 18 of the California Constitution, this Agreement creates no indebtedness or liability for Customer in any manner or for any purpose exceeding in any year the income and revenue provided for such year. All fees are non-cancellable, non-refundable and non-contingent subject only to any legislatively mandated fiscal funding cancellation due to non-appropriation of funds.

You agree that the Informatica offering(s) set forth above are governed by the terms in (i) your negotiated agreement, if any, applicable to the offerings, or the Informatica License and Services Agreement ("ILSA") at <https://www.informatica.com/legal/informatica-license-services-agreement.html>; (ii) the applicable Product Description Schedule at <http://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/informatica-product-description-schedule.pdf> or Cloud Description Schedule at <http://www.informatica.com/content/dam/informatica-com/global/amer/us/docs/informatica-cloud-description-schedule.pdf>; (iii) the current Informatica Customer Support Guide available at <https://network.informatica.com/docs/DOC-3015>; and (iv) where Informatica's provision of the offerings includes the processing of personal data by Informatica, the data processing agreement at <https://www.informatica.com/content/dam/informatica-com/en/docs/legal/online-data-processing-agreement.pdf>, which are incorporated by reference (collectively the 'Agreement'). You agree to pay for the fees set forth above and applicable taxes (except for taxes based on Informatica's net income) within thirty (30) days from receipt of invoice.

Customer may only install Software referenced above in the country set forth in the 'Ship To' address.

Notwithstanding anything to the contrary in the Agreement, the offerings set forth above made available on a subscription basis may only be used for the duration set forth above or otherwise set forth in the Product or Cloud Description Schedule ("Subscription Period"). Unless the parties agree to renew the Subscription Period, upon expiration of the Subscription Period, Customer will, and will cause other authorized users to, cease use of and access to the Product or Service until and destroy copies of any applicable Software from its systems and related technical documentation. Renewal of the Subscription Period shall be subject to the applicable renewal fees.

Renewals will be quoted assuming the same level of Products and Services as during the prior term and may be requested if the level of Products or Services are reduced.

Informatica will provide electronic transfer of Software and documentation furnished to the Customer.

By initialing, You confirm that a Purchase Order is NOT REQUIRED for the timely payment of this order (Initials: _____).

Informatica LLC
DocuSigned by:

Joyce Hillmann

076181537E9477...
Joyce Hillmann

By:

Name:

Title:

Date: 7/7/2020

By:

Name: Russell Bigler

Title: Chairman, Board of Governors

Date:

CUSTOMER: Kern County Hospital Authority

REVIEWED ONLY
NOT APPROVED AS TO FORM

By: *[Signature]*
Legal Services Department

EXHIBIT B

**KERN COUNTY HOSPITAL AUTHORITY
Reimbursable Travel Expense Guidelines**

As a Government Entity, Kern County Hospital Authority (KCHA) follows the U.S. General Services Administration (GSA) per diem rates for lodging, meals, and incidental expenses.

KCHA **shall** reimburse Consultant for all necessary and reasonable actual costs or travel expenses incurred on behalf of KCHA in an amount not to exceed \$ 0.00 for Exhibit A Q-48363 and Exhibit A Q-48364.

The travel expenses must be reasonable and necessary, approved in advance by the Responsible KCHA Department, and shall not exceed the following KCHA per diems: Lodging, \$111.00 per night plus tax; breakfast, \$14.00; lunch, \$16.00; dinner, \$26.00; economy rental car; and mileage, if by private automobile, at \$.575 per mile; and by common carrier at actual fare charged for economy or coach class.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Proposed retroactive Amendment No. 1 to Agreement #147-2019 with the County of Kern for Correctional Medicine Services in the Kern County Justice Facility

Recommended Action: Approve; Authorize Chief Executive Officer to sign

Summary:

On May 12, 2018, the Kern County Sheriff's Office opened the Kern County Justice Facility. The Authority entered into an Agreement with the County for the period May 12, 2018 through June 30, 2020, whereby Kern Medical provides health care services to in-custody inmates in that facility. The healthcare services provided meet the minimum requirements of Titles 15 and 24 of the California Code of Regulations. The County reimburses the Authority for such services based on a mutually agreeable annual budget.

The proposed Amendment No. 1 extends the term of the Agreement for a period of one year from July 1, 2020 through June 30, 2021, unless the Board of Supervisors selects a replacement provider during that time frame.

Therefore, it is recommended that your Board retroactively approve Amendment No. 1 to Agreement #147-2019, extending the term of the Agreement for one year from July 1, 2020 through June 30, 2021, and authorize the Chairman to sign.

**AMENDMENT NO. 1
TO
KERN COUNTY JUSTICE FACILITY MEDICAL SERVICES AGREEMENT
(County of Kern – Kern County Hospital Authority)**

This Amendment No. 1 to the Kern County Justice Facility Medical Services Agreement is made and entered into this ____ day of _____, 2020, between Kern County Hospital Authority (“Authority”), a local unit of government, which owns and operates Kern Medical Center (“KMC”), and County of Kern, a political subdivision of the state of California (“County”), on behalf of County Administrative Office (“CAO”) and Kern County Sheriff’s Office (“Sheriff”).

RECITALS

(a) County and Authority have heretofore entered into a Justice Facility Medical Services Agreement (Kern County Agt. #147-2019, dated March 26, 2019) (the “Agreement”), for the period May 12, 2018 through June 30, 2020, whereby Authority through KMC provides health care services to in-custody adult inmates housed in Kern County Justice Facility; and

(b) The Agreement relates solely to services provided by KMC to in-custody adult inmates housed in Kern County Justice Facility; and

(c) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(d) The Agreement is amended effective July 1, 2020;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 1, Term of Agreement and Records at Termination of Agreement, paragraph 1.1 shall be deleted in its entirety and replaced with the following:

“1.1 Term of Agreement. This Agreement will be effective as of May 12, 2018, and remain in effect through June 30, 2021, unless the Kern County Board of Supervisors has selected a replacement provider of healthcare services to adult inmates under the responsibility of Sheriff.”

2. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

3. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

4. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

5. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[Signatures follow on next page]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 1 as of the day and year first written above.

COUNTY OF KERN

KERN COUNTY HOSPITAL AUTHORITY

By _____
Chairman
Board of Supervisors

By _____
Chairman
Board of Governors

APPROVED AS TO CONTENT:
ADMINISTRATIVE OFFICE

APPROVED AS TO CONTENT:
KERN MEDICAL CENTER

By _____
Ryan J. Alsop
Chief Administrative Officer

By *Russell V. Judd*
Russell V. Judd
Chief Executive Officer

SHERIFF'S OFFICE

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By _____
Donny Youngblood
Sheriff

By *Karen S. James*
VP & General Counsel
Kern County Hospital Authority

APPROVED AS TO FORM:
OFFICE OF COUNTY COUNSEL

By _____
Chief Deputy

CONSENTED TO (Pursuant to a Facility Sublease Dated April 1, 2018, between the Department of Corrections and Rehabilitation of the state of California and the County of Kern and the County certificate to the Tax Certification referenced therein)

STATE PUBLIC WORKS BOARD OF THE
STATE OF CALIFORNIA

By _____
Koreen H. van Ravenhorst
Deputy Director



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Comments Regarding Budget Variances – May 2020

Recommended Action: Receive and File

Summary:

COVID-19 Impact on Kern Medical Operations:

The COVID-19 pandemic has impacted Kern Medical's key performance indicators as follows:

- Average Daily Census of 116 for May is 16 less than the May budget of 132 and 16 less than the year-to-date average census of 132 per month
- Admissions of 702 for May are 125 less than the May budget of 827 and 74 less than the year-to-date average admissions of 776 per month
- Total Surgeries of 400 for May are 55 less than the May budget of 455 and 52 less than the year-to-date average of 452 total surgeries per month
- Clinic Visits of 10,817 for May is 2,579 less than the May budget of 13,396 and 1,634 less than the year-to-date average of 12,451 per month

Although key volumes for the month are unfavorable compared to plan, Kern Medical has maintained the staffing levels necessary to adequately provide coverage for a surge in pandemic activity if necessary. In addition, Kern Medical is participating in all emergency funding programs available at the county, state, and federal levels to offset lost revenue and increased expenses that may be realized due to the COVID-19 issue.

Also impacting the May financials is the recognition of \$6,372,347 of prior years' Graduate Medical Education (GME) revenue. Historically, only Medicare has reimbursed hospitals for their GME expenses. Recently the Centers for Medicare and Medicaid Services (CMS) decided that Medicaid will also reimburse hospitals for these expenses. The decision is retroactive back to FY 2017. The result is \$12.7 million of prior years' GME revenue that Kern Medical must recognize in its financial statements during FY 2020. Half of the \$12.7 million has been recognized for the month of May and the other half will be recognized in June 2020.

The following items have budget variances for the month of May 2020:

Patient Revenue:

Gross patient revenue has an unfavorable month-to-date budget variance for May because of the decrease in patient volumes caused by the COVID-19 pandemic. On a year-to-date basis, the gross patient revenue budget variance is favorable primarily because of improved revenue cycle efficiency realized since the implementation of the Cerner EHR.

Indigent Funding:

Indigent funding has a favorable budget variance for the month due to the recognition of \$6.4 million of Graduate Medical Education (GME) revenue. Historically, only Medicare has reimbursed hospitals for their GME expenses. Recently the Centers for Medicare and Medicaid Services (CMS) reached the decision that Medicaid will also reimburse hospitals for these expenses. The decision is retroactive back to FY 2017. The result is \$12.7 million of prior years' GME revenue that Kern Medical must recognize in its financial statements during FY 2020. Half of the \$12.7 million has been recognized for the month of May and the other half will be recognized in June 2020.

Other Operating Revenue:

Other operating revenue has an unfavorable variance for the month due to below average grant revenue received for the month. Grant revenue is typically paid quarterly, however, grant revenue has been budgeted evenly throughout the year. On a year-to-date basis other operating revenue has a favorable variance due to the receipt of \$4.1 million of Health and Human Services (HHS) Stimulus Funding. Funding has been allocated to healthcare providers from the HHS in an effort to mitigate the effects of lost revenues and increased expenses realized because of the COVID-19 pandemic.

Salaries Expense:

Salaries expense is over budget for the month and on a year-to-date basis primarily because the salaries for management and supervision, registered nurses, and aides and attendants have been consistently more than budget throughout the year.

Registry Nurse Expense:

Registry nurse expense has an unfavorable budget variance for the month and on a year-to-date basis. Kern Medical continues to rely on contracted nurse staffing to supplement the nursing departments while maintaining nurse recruiting efforts.

Medical Fees:

Medical fees are at the budgeted amount for the month. On a year-to-date basis medical fees are under budget due to a decrease in contracted physician services used by the Behavioral Health Department.

Other Professional Fees:

Other professional fees are even with the budgeted amount for the month. On a year-to-date basis, other professional fees have a favorable budget variance because of the reclassification of Information Technology (IT) contract labor staff expense. IT contract labor expense that pertains to the Cerner EHR implementation project is reclassified from expense and into the Cerner capital project each month. In addition, 25 individuals that were previously contract laborers across several different departments have been hired by Kern Medical as full-time employees. Therefore, the labor expense for these individuals is now reported under salaries and benefits expenses.

Supplies Expense:

Supplies expenses are under budget for the month because of lower than average costs for pharmaceuticals and other medical supplies. Supplies costs have a favorable variance on a year-to-date basis as well.

Purchased Services:

Purchased services expenses have an unfavorable variance for the month due to under accruals in the prior month for Health Advocates and for Signature Performance. On a year-to-date basis, the unfavorable variance is primarily due to the fact that Trans-West Security expense was budgeted low for FY 2020. In addition, on a year-to-date basis expenses paid for out-of-network services paid to other providers for services not provided by Kern Medical are higher than the budgeted amount.

Other Expenses:

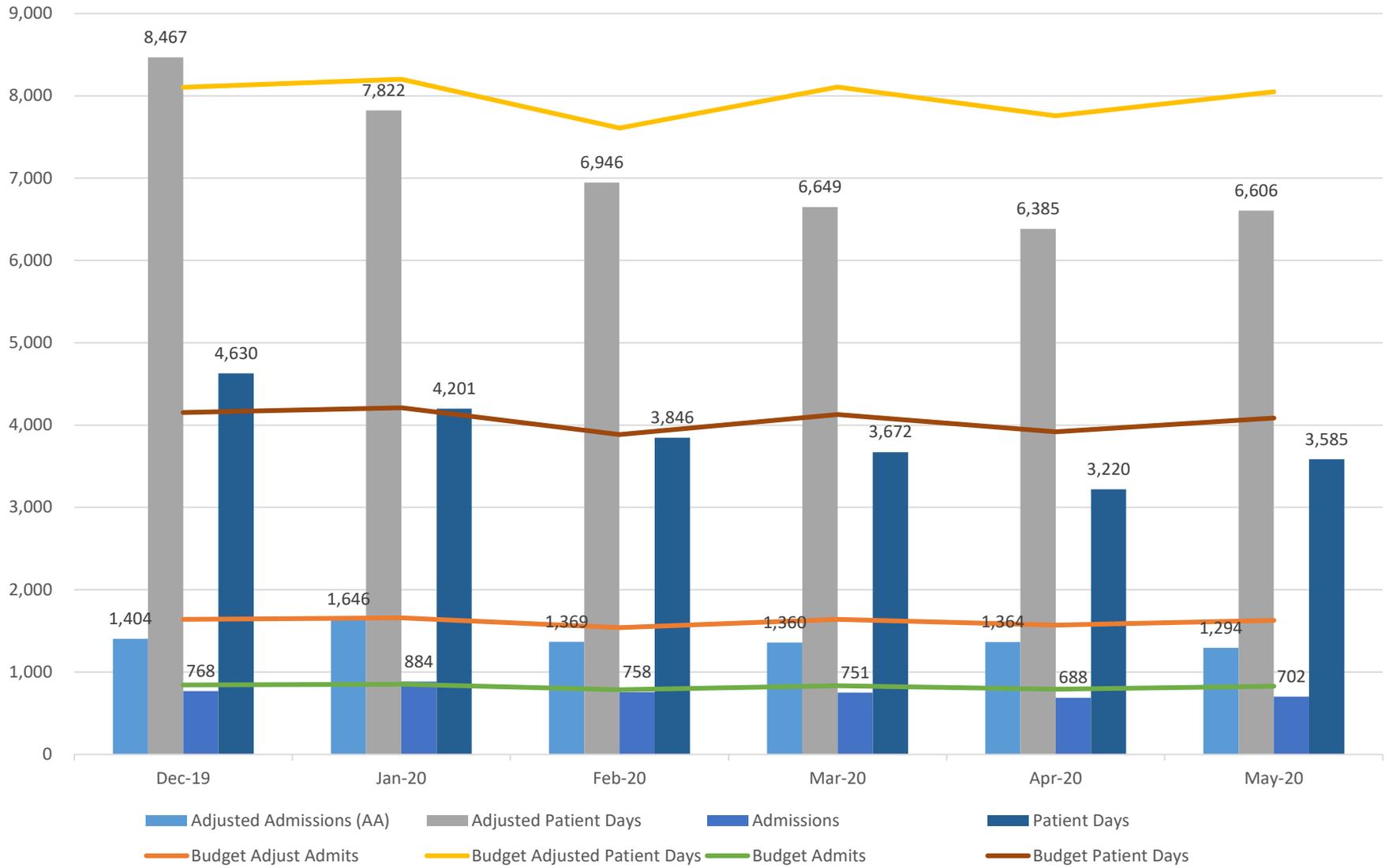
Other expenses are at the budgeted amount for the month. On a year-to-date basis other expenses are under budget due to lower than average repairs and maintenance expenses.



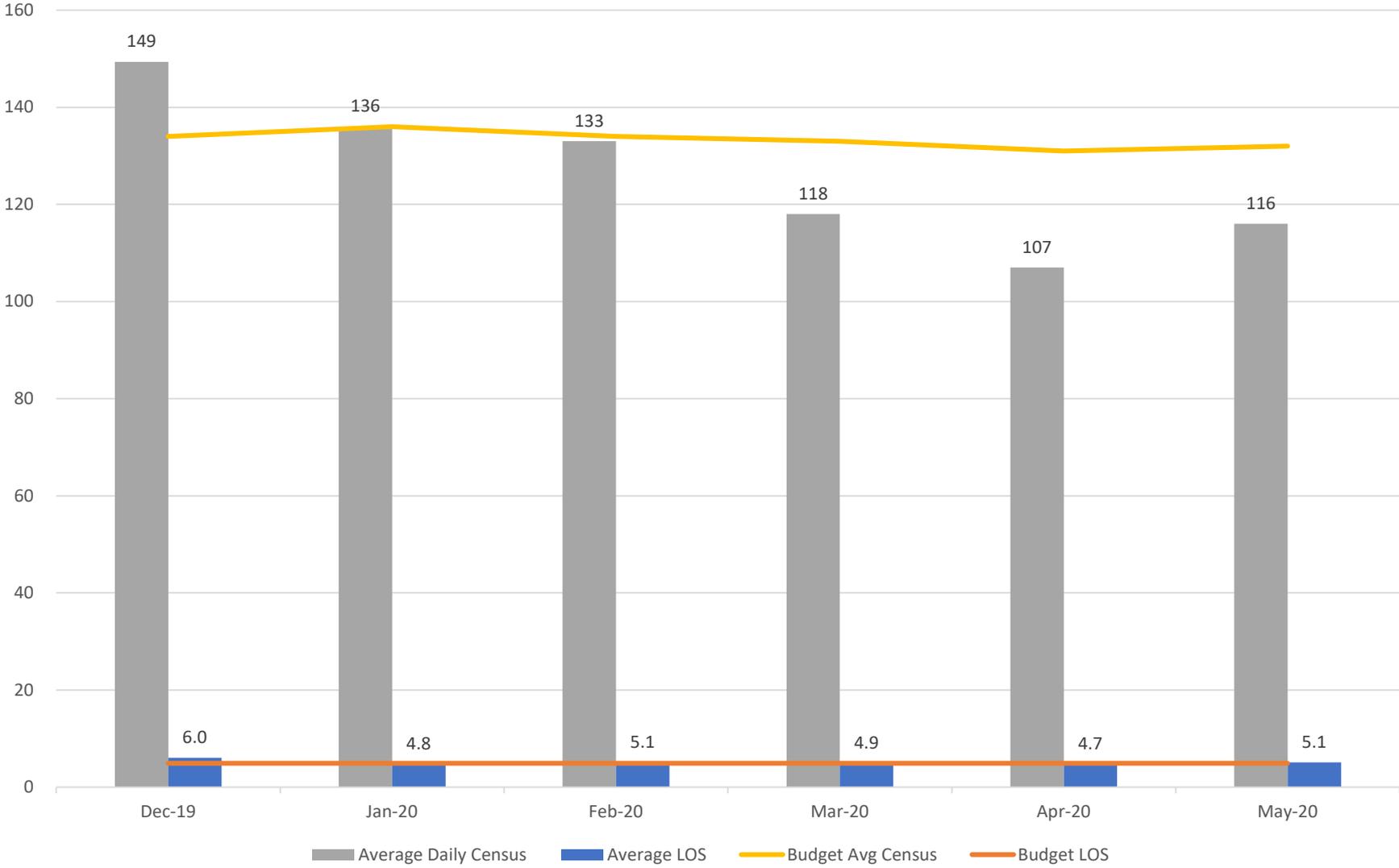
**BOARD OF GOVERNORS' REPORT
KERN MEDICAL – MAY 2020**

July 2020

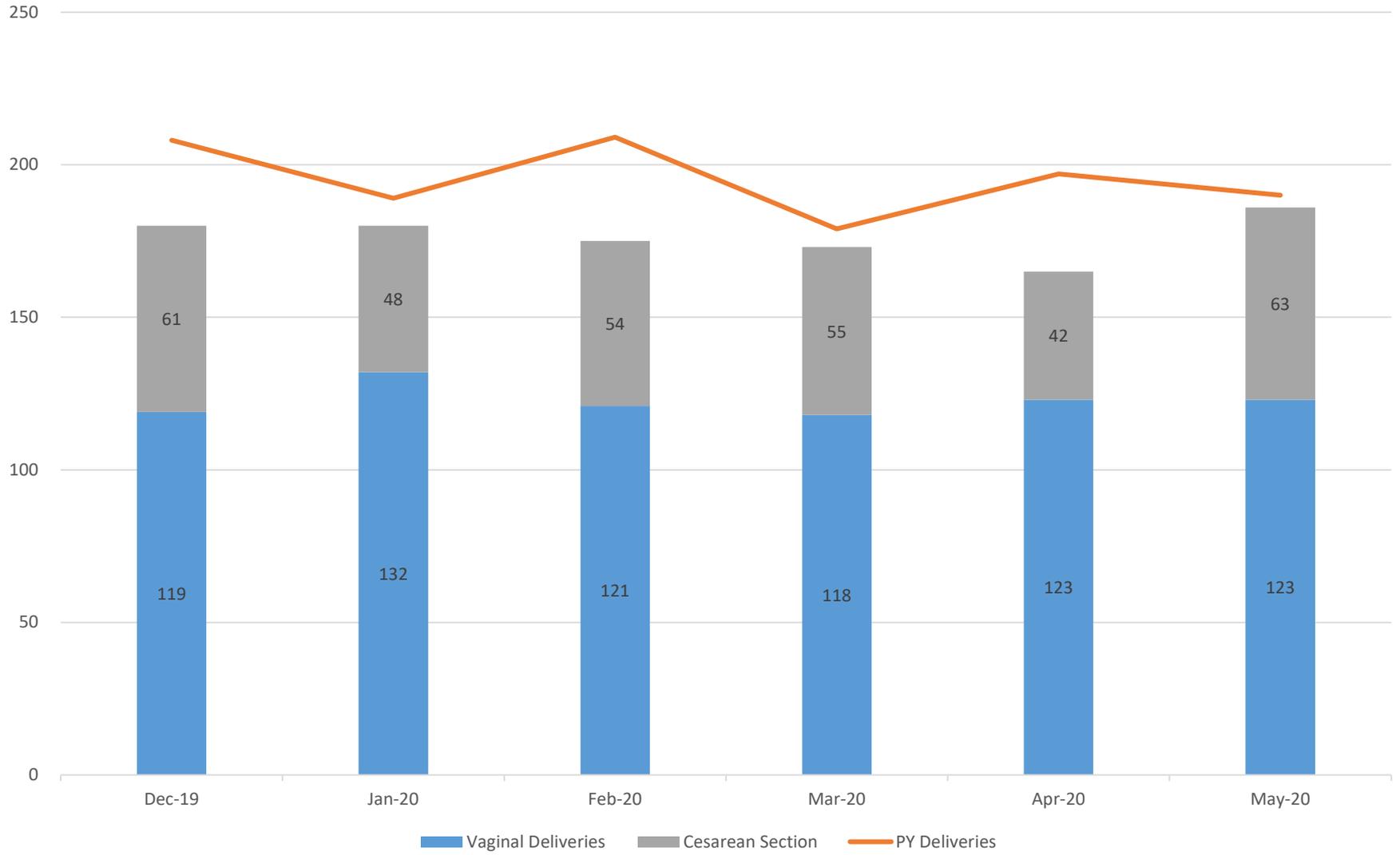
Hospital Volumes



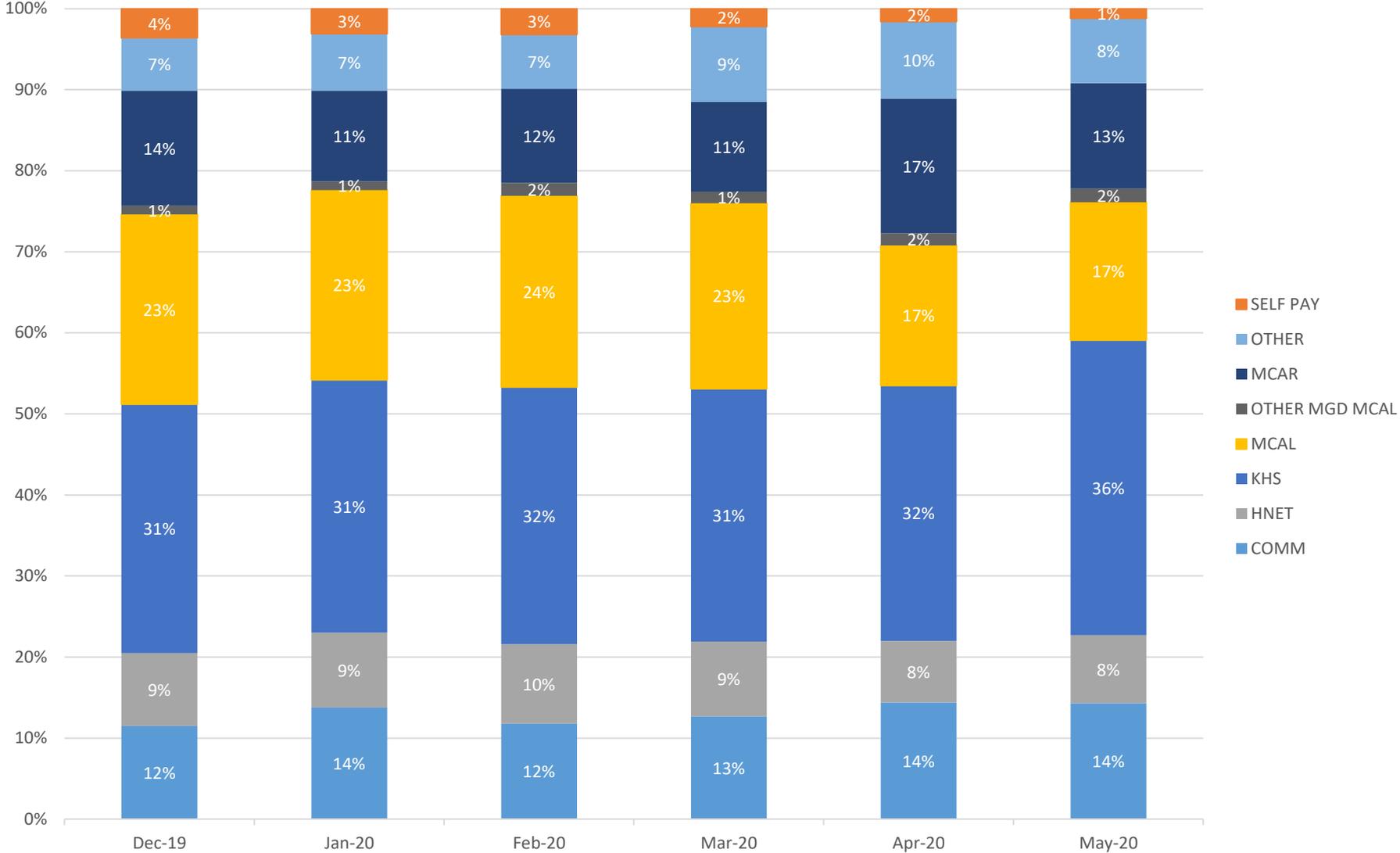
Census & ALOS



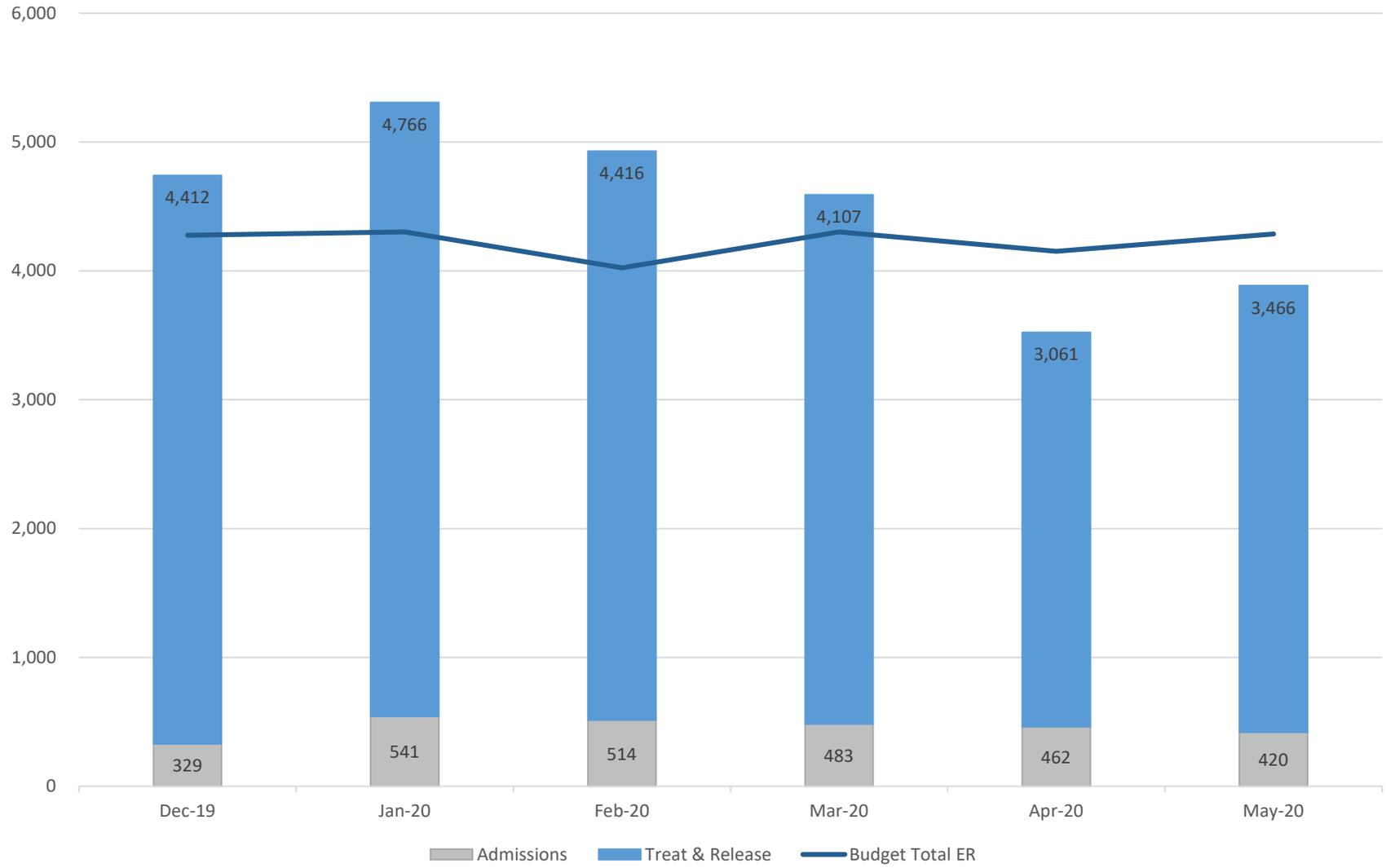
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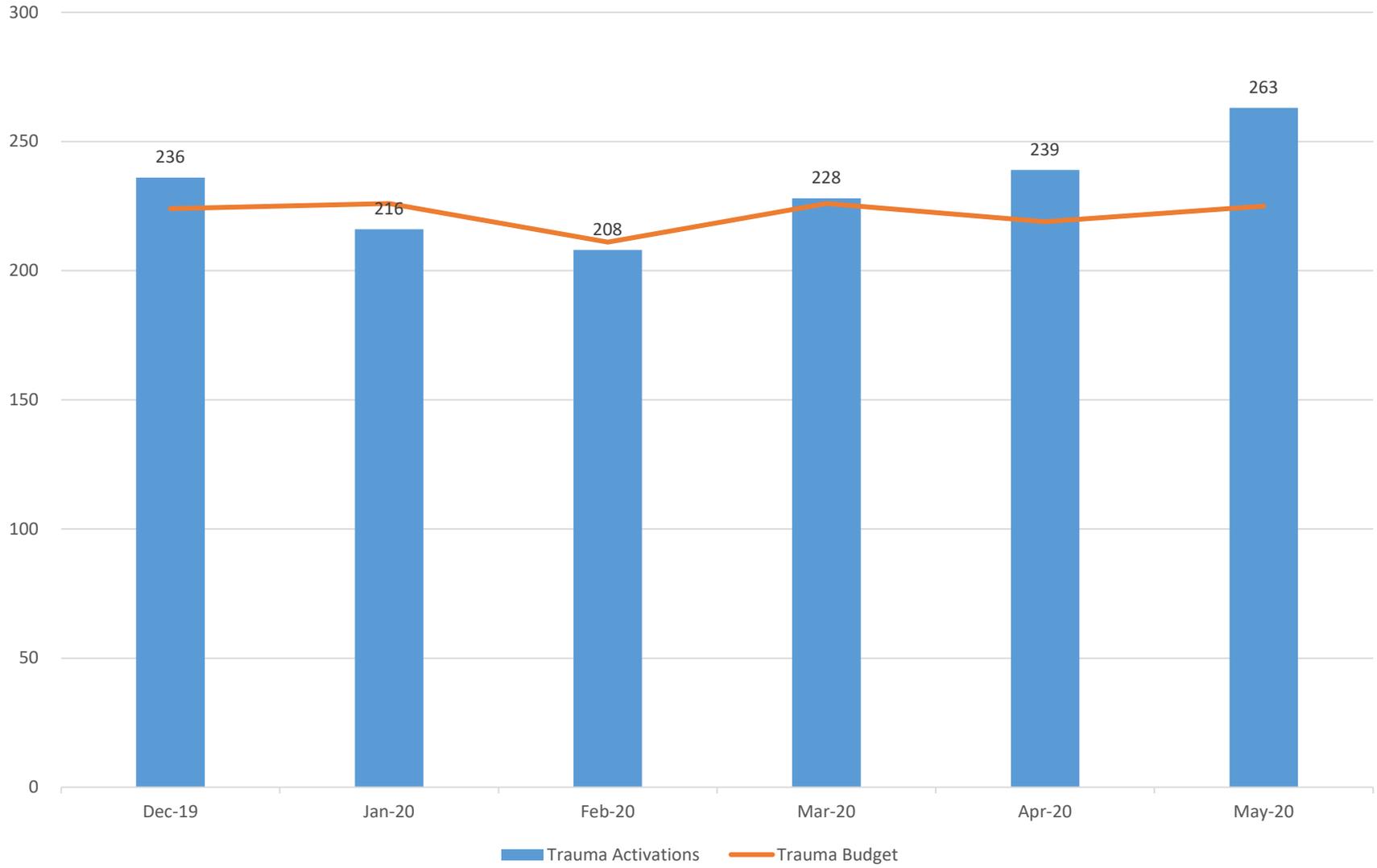
PAYER MIX



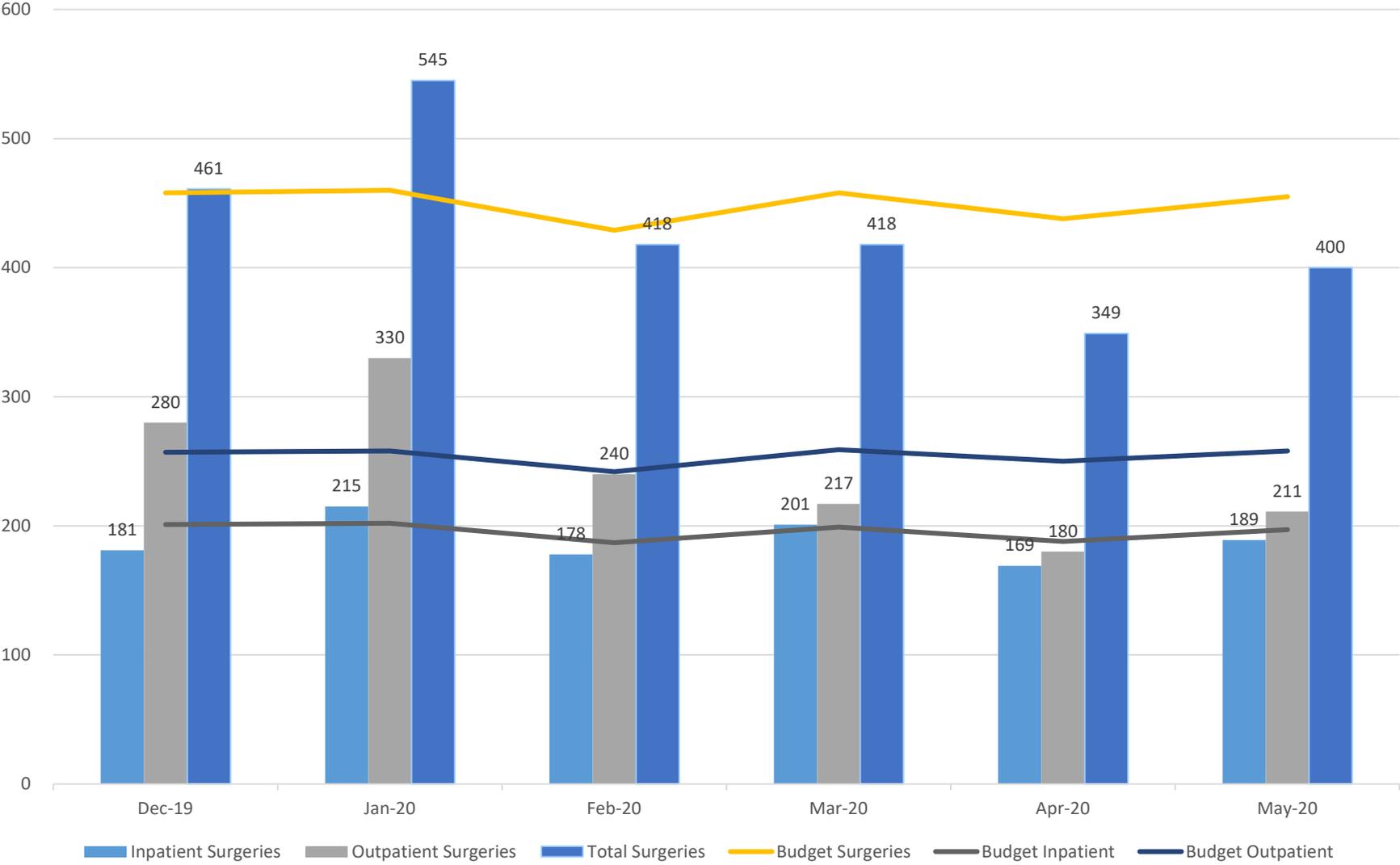
Emergency Room Volume



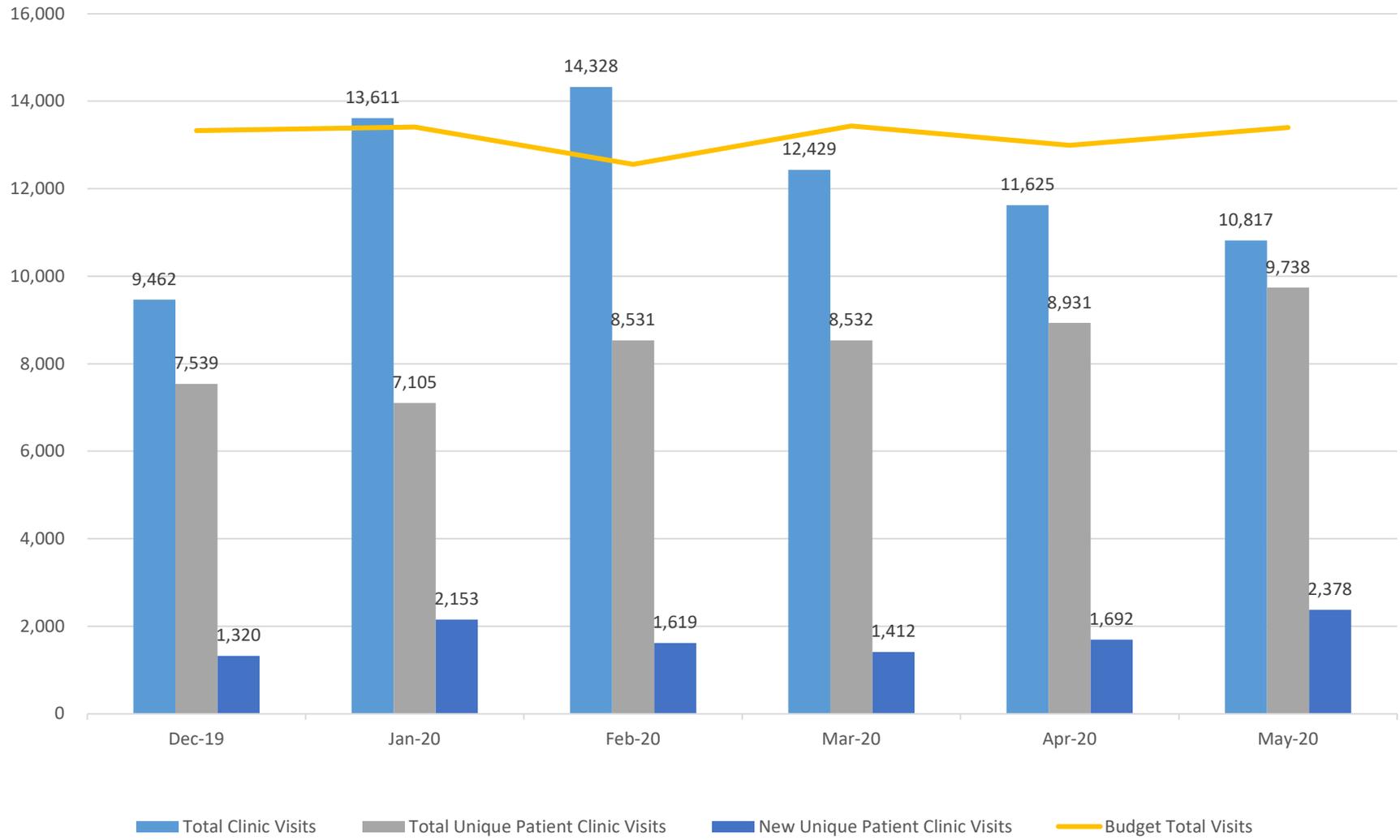
Trauma Activations



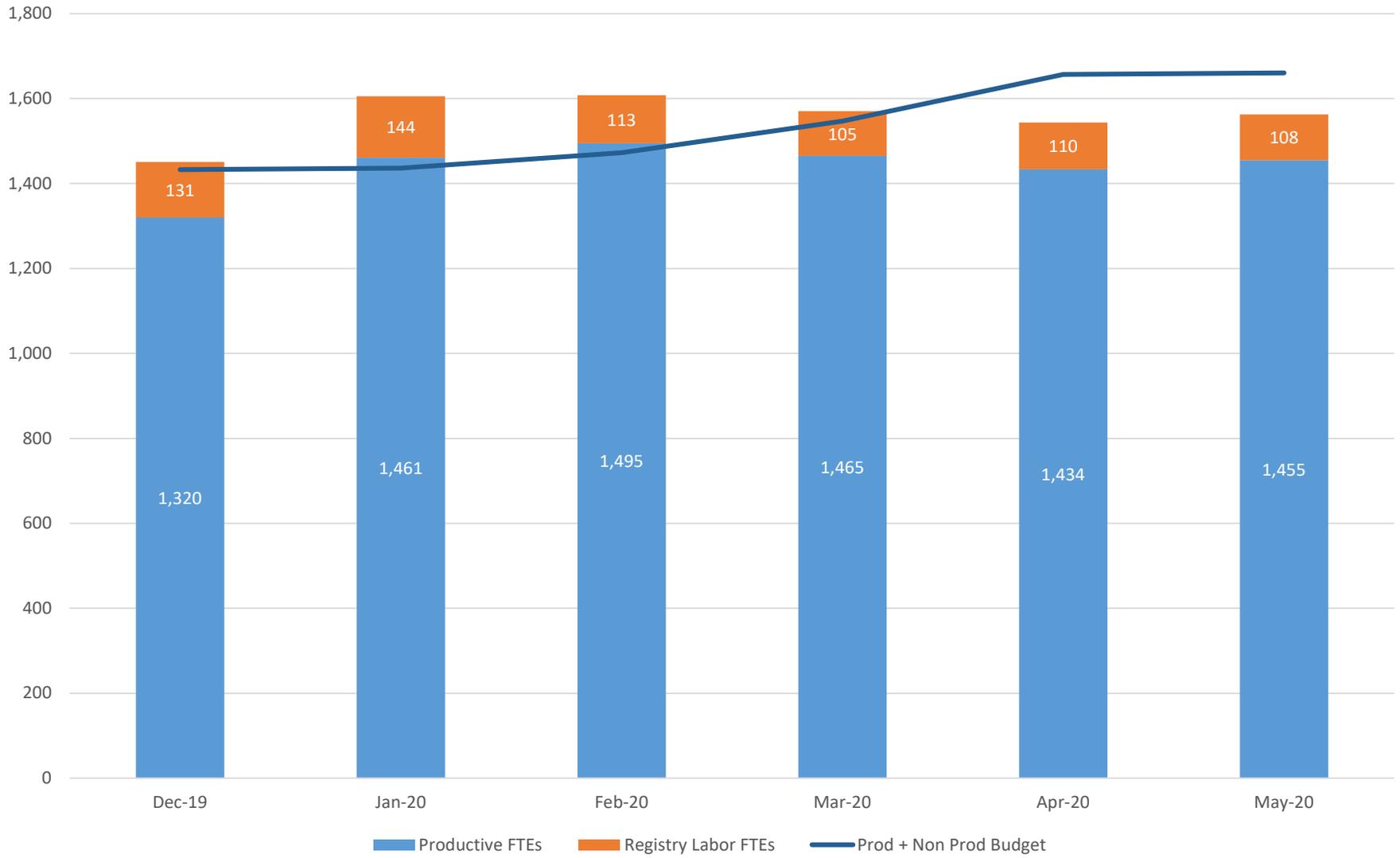
Surgical Volume



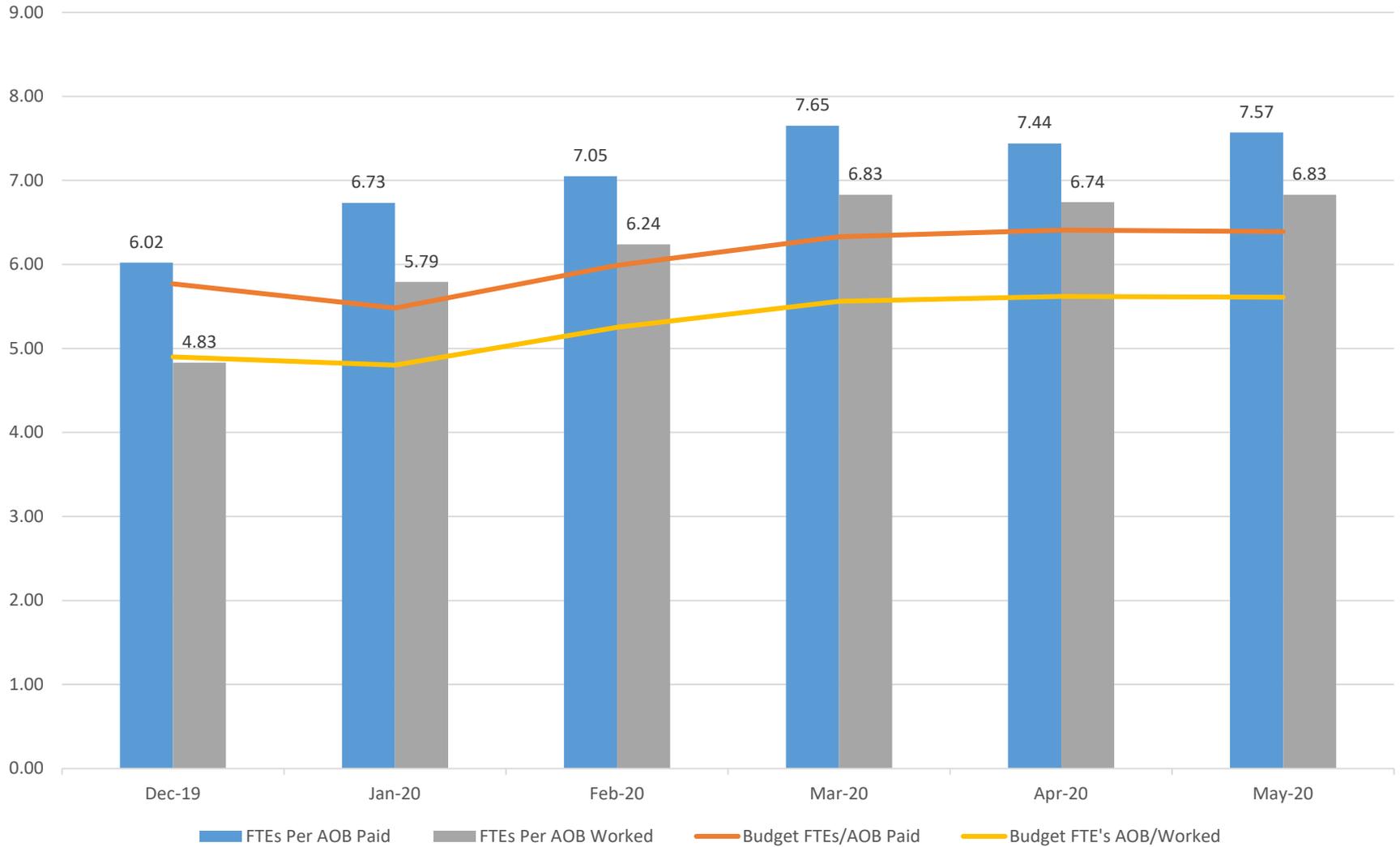
Clinic Visits



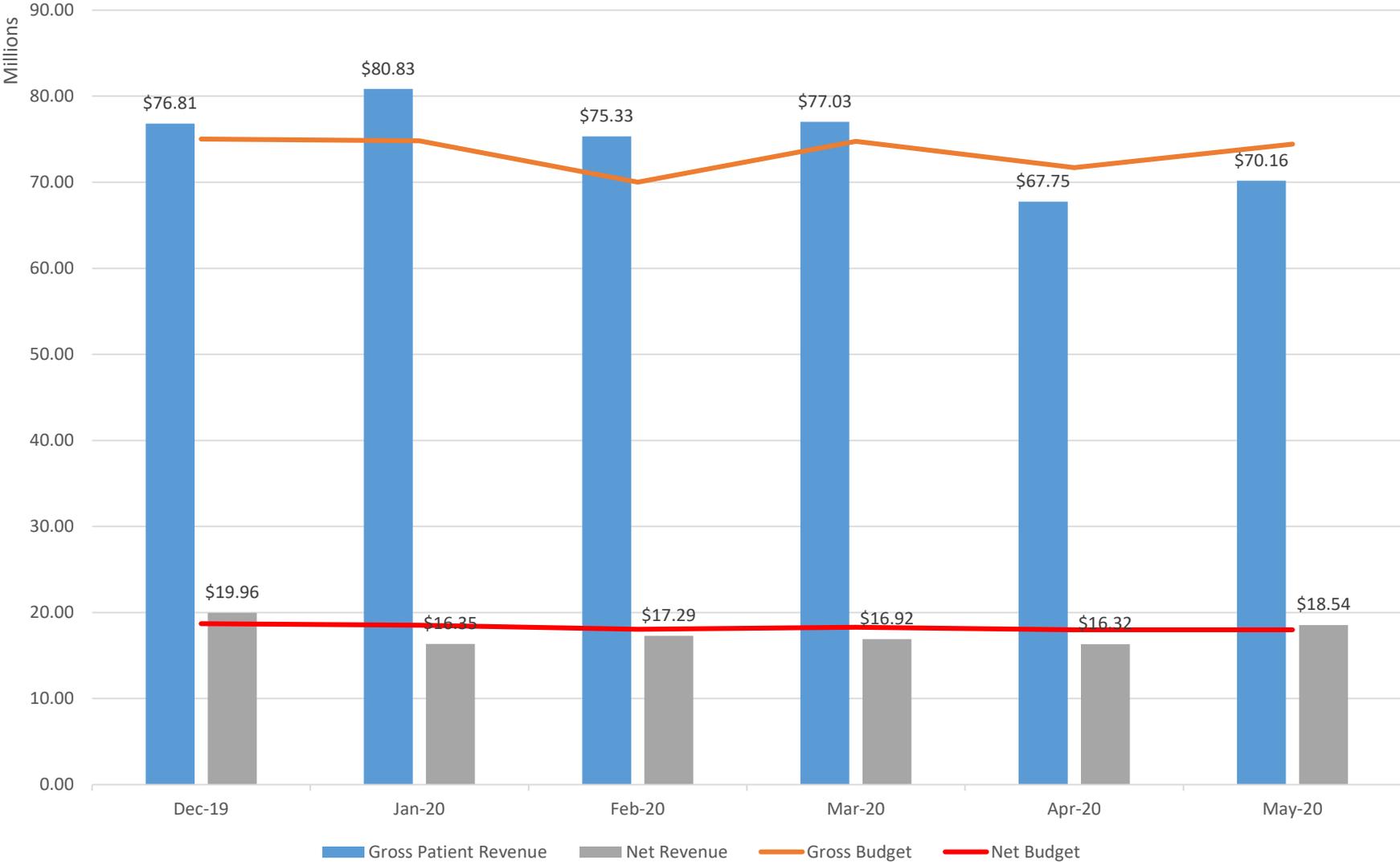
Productivity



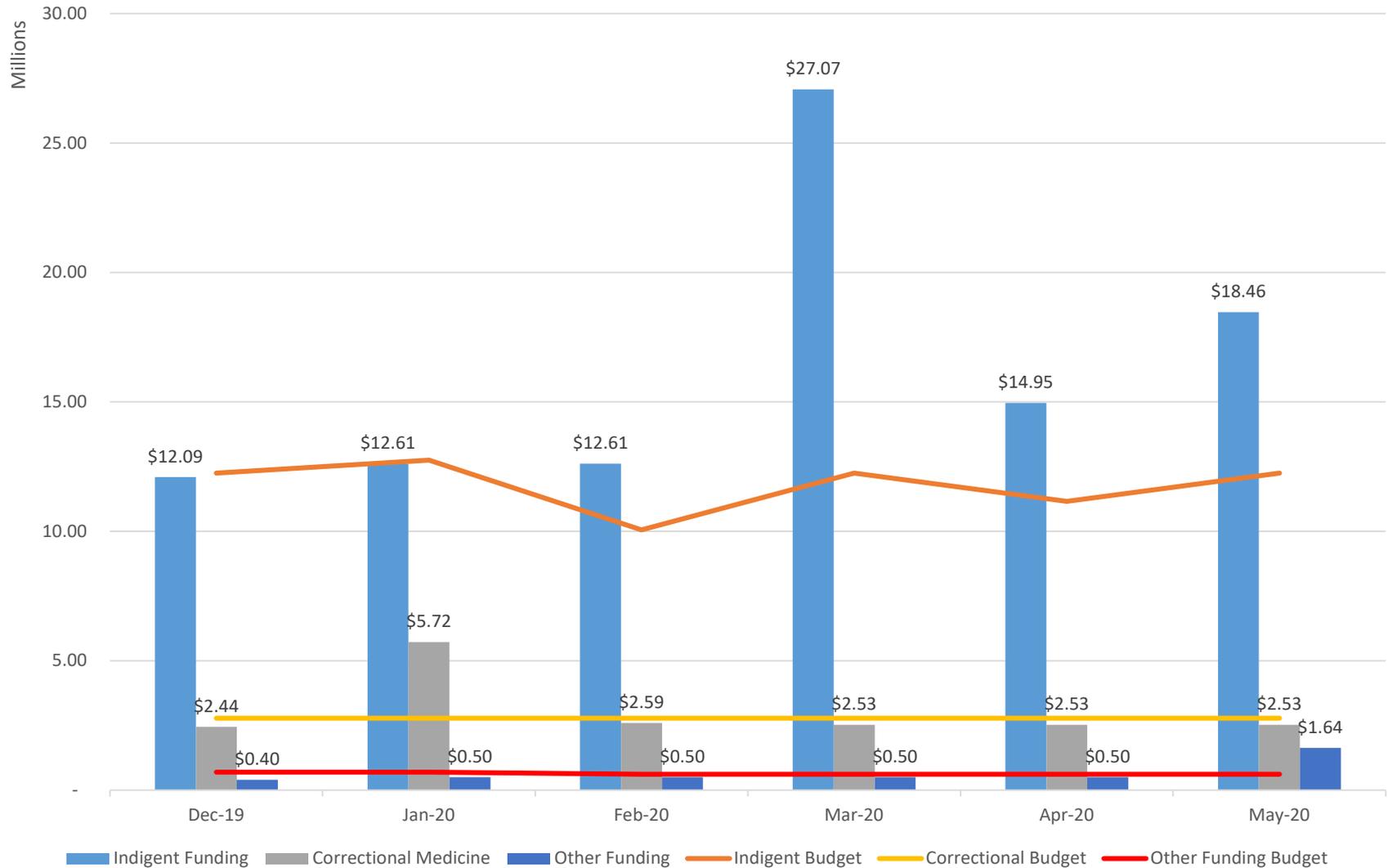
Labor Metrics



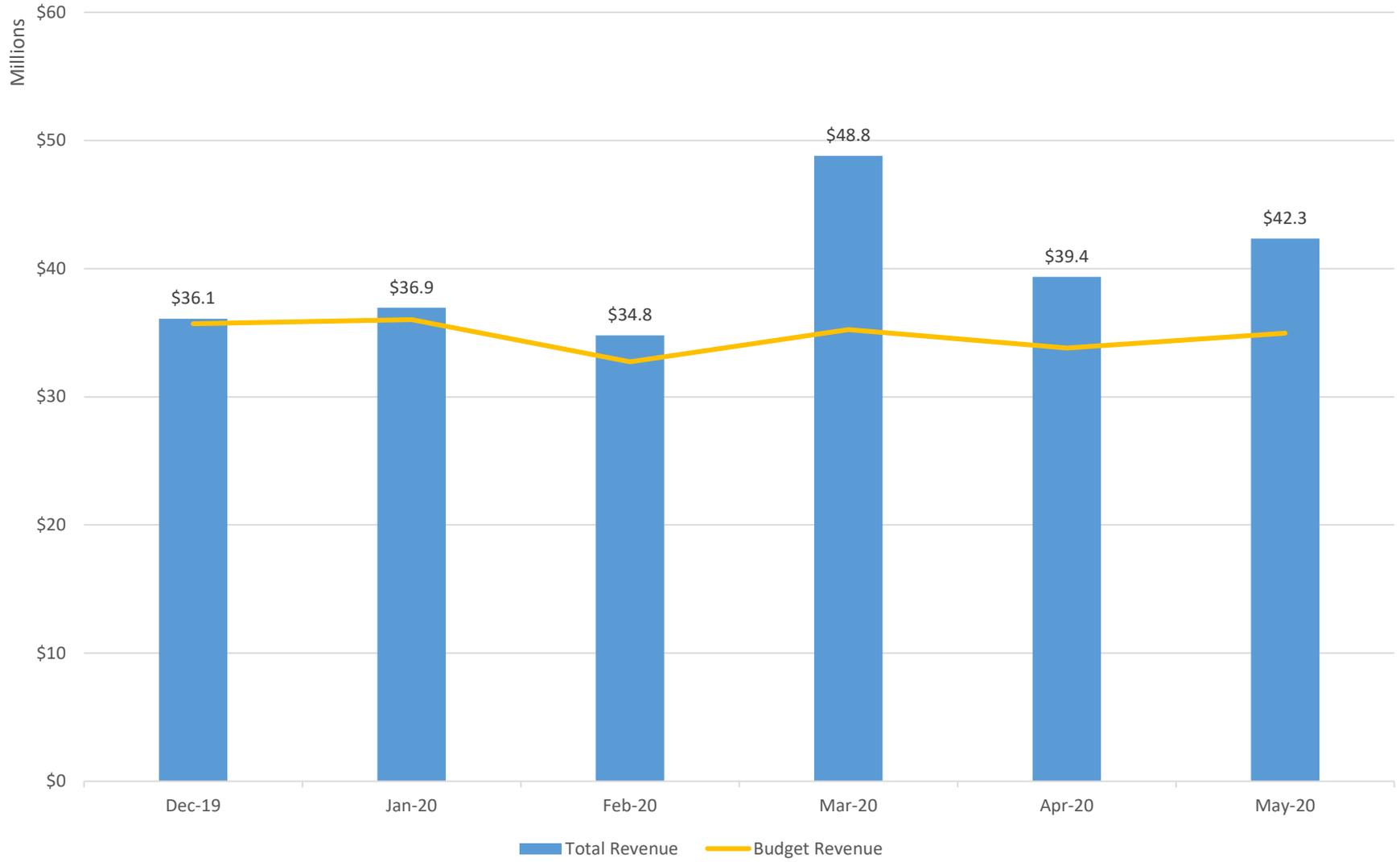
Patient Revenue



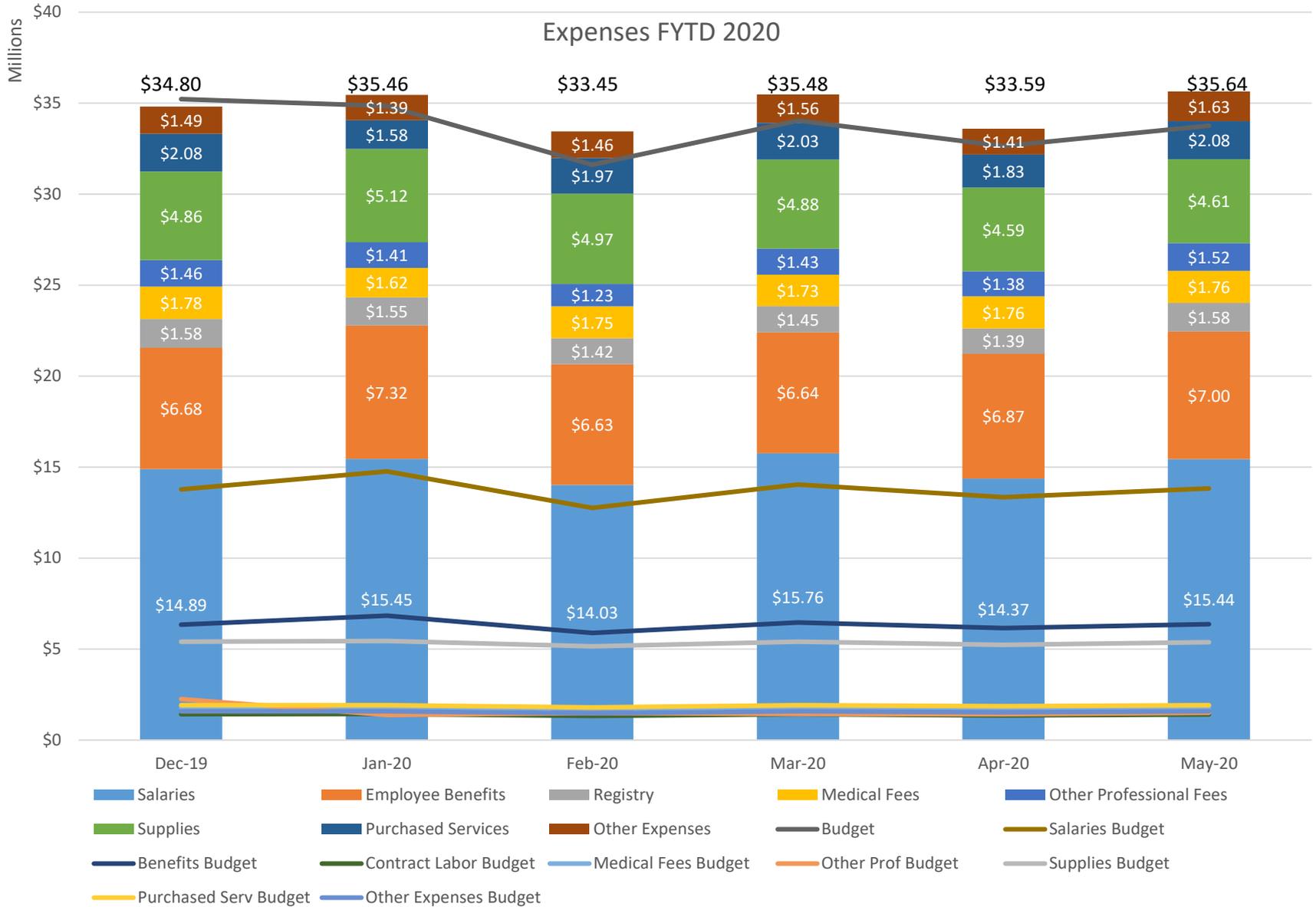
Indigent & Correctional Revenue



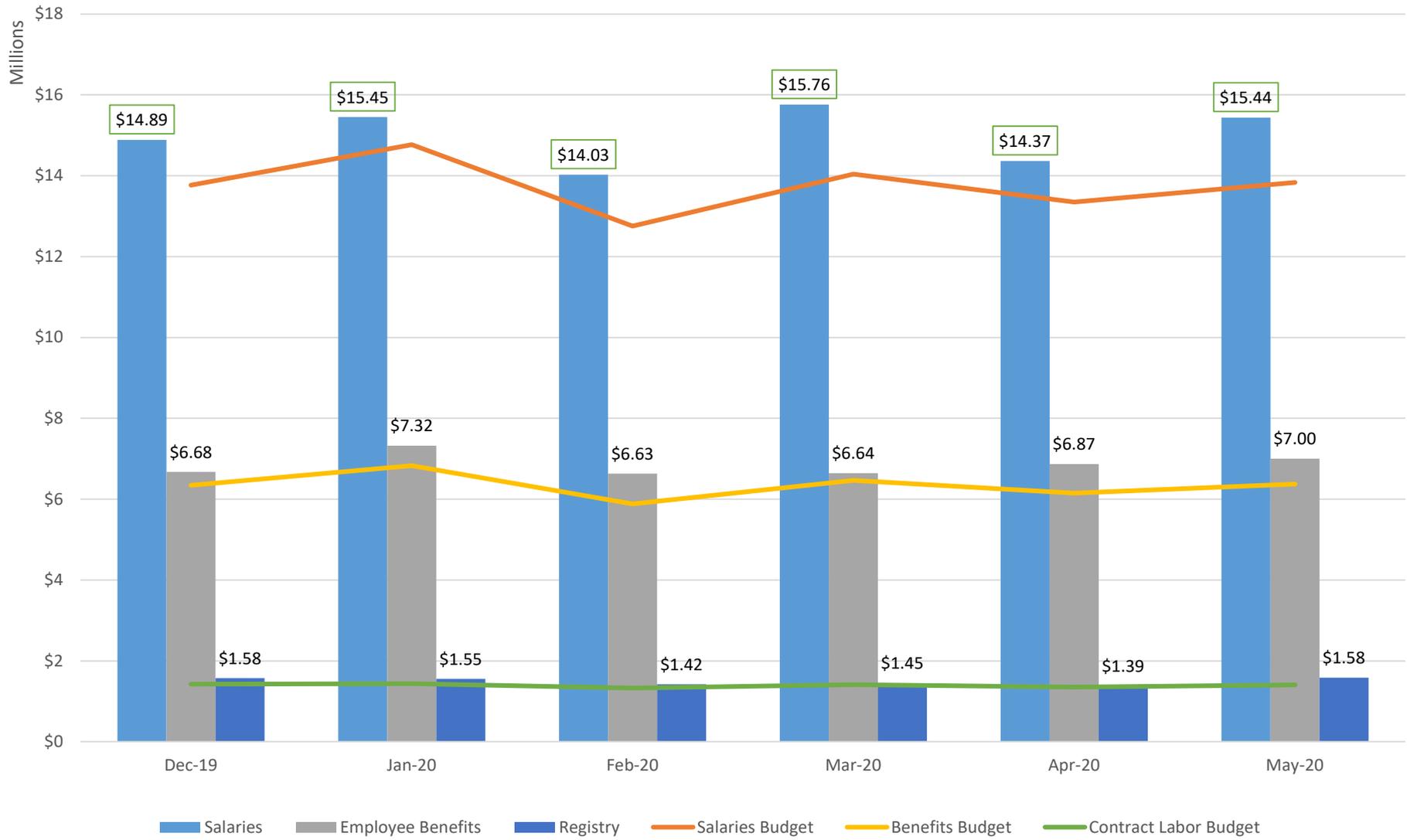
Total Revenue



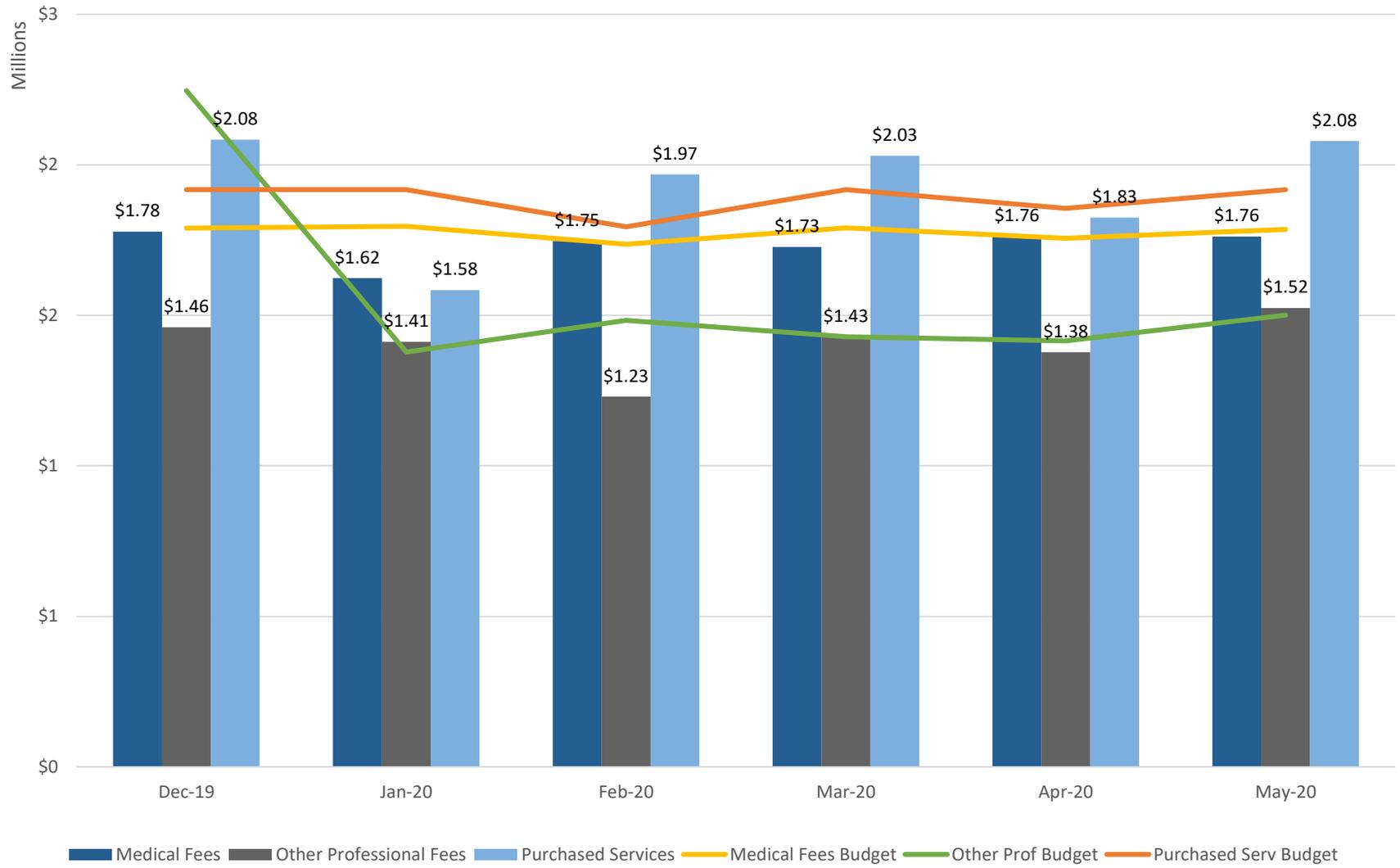
Expenses FYTD 2020



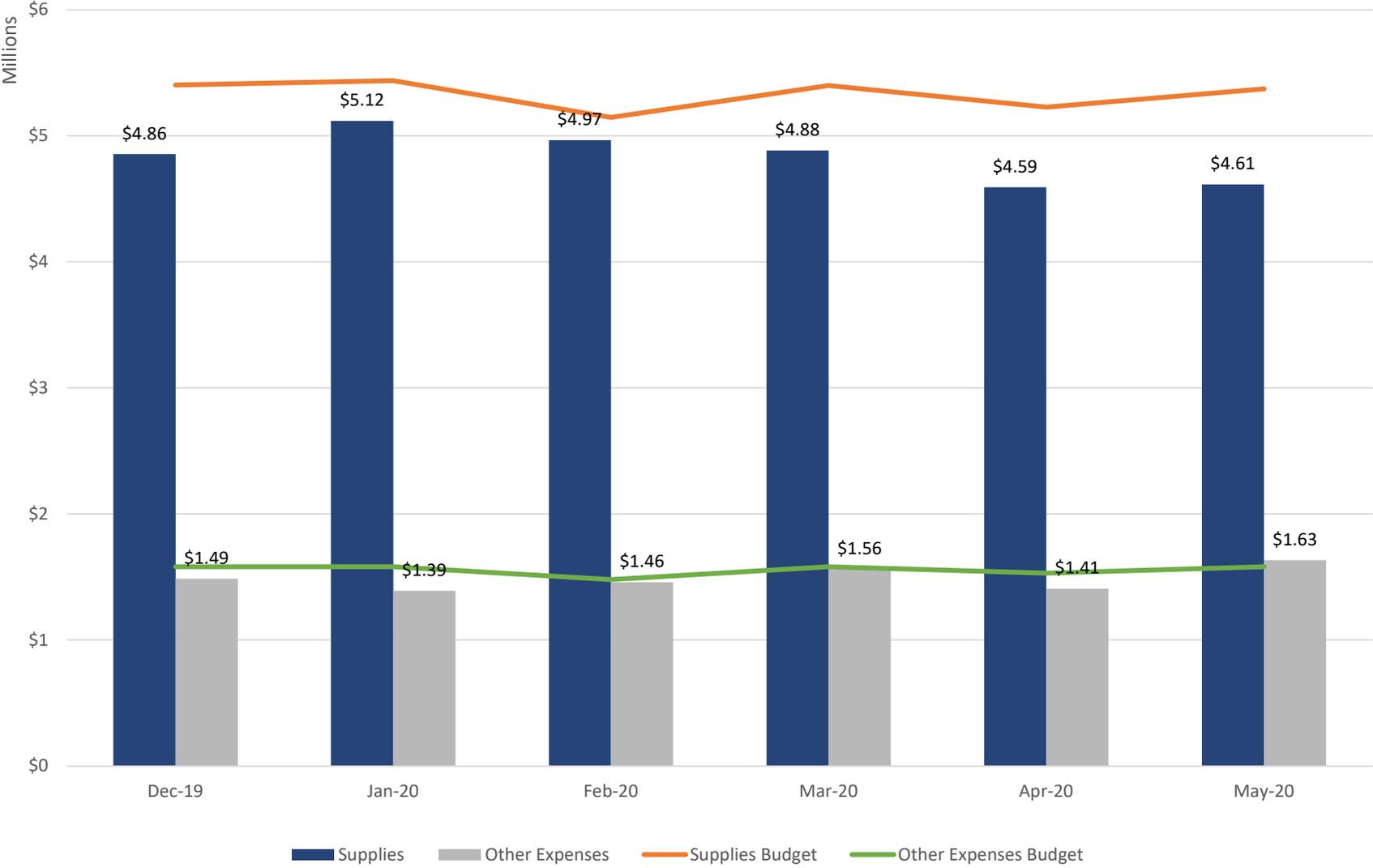
Salaries & Benefits FYTD 2020



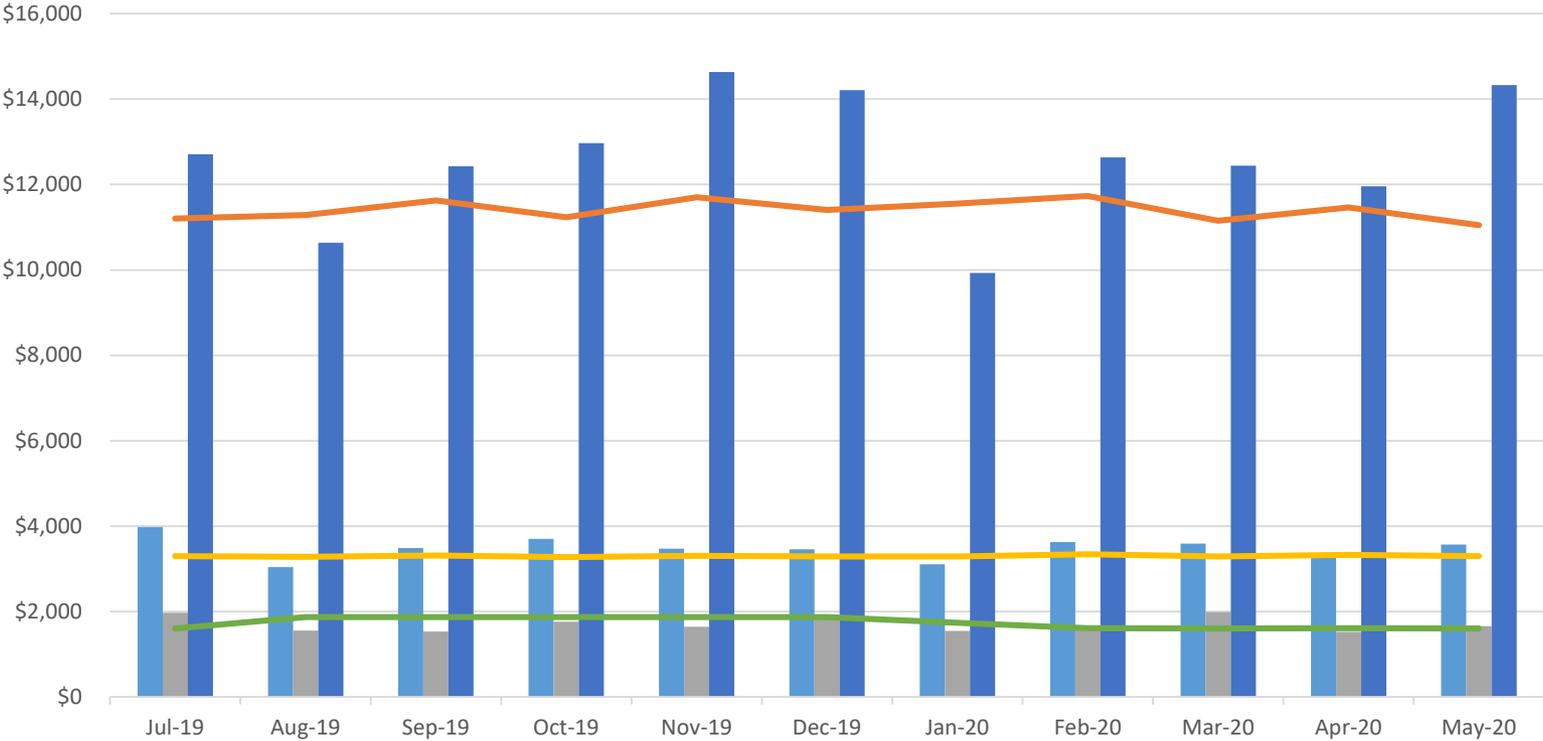
Purchased Services, Medical, & Other Prof Fees FYTD 2020



Supplies & Other Expenses FYTD 2020

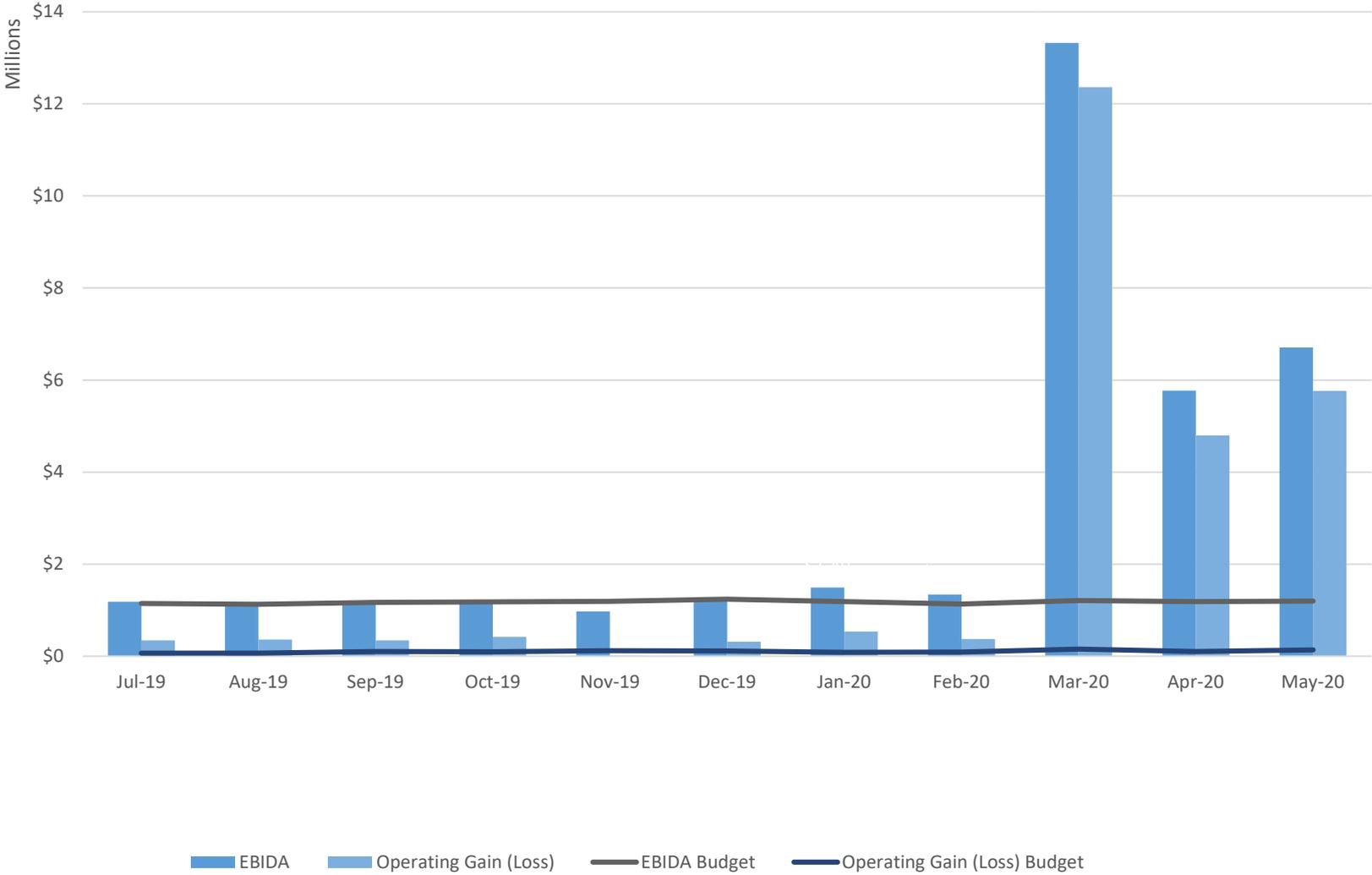


Operating Metrics

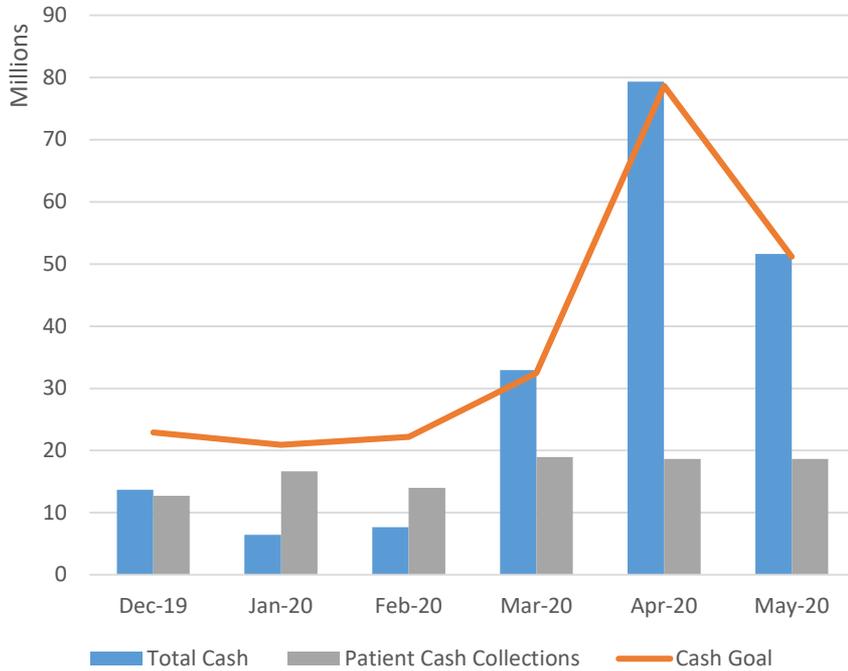


	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20
Supply Expense per AA	\$3,977	\$3,040	\$3,492	\$3,703	\$3,474	\$3,457	\$3,110	\$3,627	\$3,592	\$3,365	\$3,568
Pharm Cost per AA	\$1,976	\$1,558	\$1,536	\$1,762	\$1,646	\$1,905	\$1,549	\$1,569	\$1,989	\$1,530	\$1,658
Net Revenue Per AA	\$12,710	\$10,636	\$12,428	\$12,972	\$14,631	\$14,212	\$9,934	\$12,632	\$12,444	\$11,963	\$14,333
Budget Supp/AA	\$3,295	\$3,286	\$3,313	\$3,277	\$3,303	\$3,293	\$3,291	\$3,343	\$3,293	\$3,330	\$3,298
Budget Pharm/AA	\$1,604	\$1,869	\$1,870	\$1,869	\$1,870	\$1,870	\$1,736	\$1,614	\$1,603	\$1,615	\$1,605
Budget Net Rev/AA	\$11,209	\$11,286	\$11,630	\$11,234	\$11,703	\$11,409	\$11,556	\$11,730	\$11,153	\$11,464	\$11,052

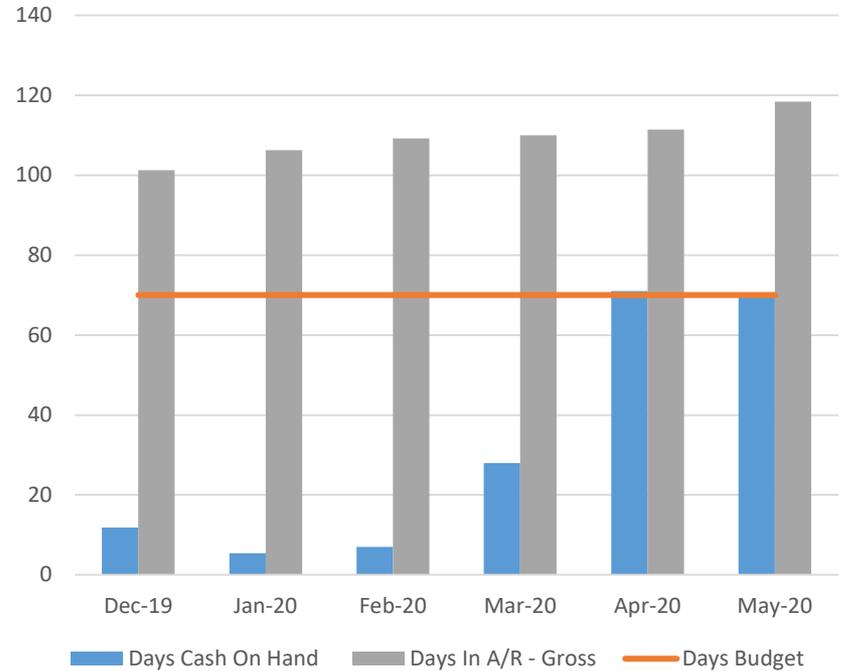
EBIDA 2020 FYTD



Cash 2020 FYTD



AR Days 2020 FYTD



KERN MEDICAL
3-Month Trend Analysis: Revenue & Expense
 May 31, 2020

	MARCH	APRIL	MAY	BUDGET MAY	VARIANCE POS (NEG)	PY MAY
Gross Patient Revenue	\$ 77,025,381	\$ 67,751,569	\$ 70,162,271	\$ 74,427,782	(6%)	\$ 73,005,824
Contractual Deductions	(60,103,656)	(51,430,544)	(51,621,878)	(56,425,922)	(9%)	(54,793,527)
Net Revenue	16,921,725	16,321,024	18,540,393	18,001,860	3%	18,212,297
Indigent Funding	27,070,042	14,954,448	18,463,096	12,249,481	51%	13,536,965
Correctional Medicine	2,527,068	2,527,068	2,527,068	2,777,068	(9%)	2,552,068
County Contribution	285,211	285,211	285,211	284,951	0.1%	285,211
Incentive Funding	212,040	212,040	0	333,333	(100%)	250,000
Net Patient Revenue	47,016,086	34,299,791	39,815,768	33,646,694	18%	34,836,541
Other Operating Revenue	1,773,319	5,038,989	1,168,062	1,309,701	(11%)	1,094,655
Other Non-Operating Revenue	15,953	14,068	9,460	4,639	104%	32,607
Total Revenue	48,805,358	39,352,848	40,993,290	34,961,033	17%	35,963,803
Expenses						
Salaries	15,758,686	14,365,693	15,439,012	13,831,033	12%	13,818,294
Employee Benefits	6,641,938	6,866,418	6,999,362	6,372,929	10%	6,685,268
Contract Labor	1,447,694	1,388,264	1,584,782	1,403,460	13%	1,976,993
Medical Fees	1,727,154	1,762,437	1,761,883	1,785,778	(1%)	1,924,596
Other Professional Fees	1,427,447	1,377,941	1,524,381	1,500,954	1.6%	1,714,717
Supplies	4,884,383	4,591,410	4,614,646	5,371,582	(14%)	5,156,155
Purchased Services	2,030,412	1,825,083	2,079,292	1,917,475	8%	2,318,696
Other Expenses	1,563,796	1,407,758	1,634,186	1,582,189	3%	1,436,109
Operating Expenses	35,481,511	33,585,005	35,637,545	33,765,400	6%	35,030,827
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 13,323,847	\$ 5,767,843	\$ 5,355,745	\$ 1,195,633	348%	\$ 932,976
EBIDA Margin	27%	15%	13%	3%	282%	3%
Interest	220,867	220,039	202,776	342,117	(41%)	101,978
Depreciation	483,034	489,161	480,743	499,951	(4%)	520,211
Amortization	255,683	264,295	256,258	218,282	17%	76,688
Total Expenses	36,441,095	34,558,499	36,577,321	34,825,749	5.0%	35,729,704
Operating Gain (Loss)	\$ 12,364,263	\$ 4,794,348	\$ 4,415,969	\$ 135,284	3,164%	\$ 234,099
Operating Margin	25.3%	12.2%	10.8%	0.39%	2,684%	1%
Less: FY19 Graduate Management Education (GME) Revenue			(6,372,347)			
Adjusted EBIDA for May 2020			\$ (2,154,422)			
Adjusted Operating Gain (Loss) for May 2020			\$ (3,094,198)			

KERN MEDICAL
FY2020 YTD: Revenue & Expense
 May 31, 2020

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 837,414,903	\$ 810,776,748	3%	\$ 792,973,959	6%
Contractual Deductions	(632,011,834)	(608,815,482)	4%	(601,822,810)	5%
Net Revenue	205,403,069	201,961,267	2%	191,151,149	
Indigent Funding	158,968,612	132,768,571	20%	144,415,904	10%
Correctional Medicine	31,061,574	30,547,748	2%	27,193,078	14%
County Contribution	3,137,320	3,134,458	0.09%	3,137,321	(0%)
Incentive Funding	2,120,400	3,666,667	(42%)	5,814,060	(64%)
Net Patient Revenue	400,690,975	372,078,711	8%	371,711,513	8%
Other Operating Revenue	17,966,176	14,098,302	27%	13,375,545	34%
Other Non-Operating Revenue	115,719	222,240	(48%)	350,779	(67%)
Total Revenue	418,772,870	386,399,252	8%	385,437,837	9%
Expenses					
Salaries	162,546,152	152,228,830	7%	147,297,880	10%
Employee Benefits	74,150,189	70,189,500	6%	67,504,127	10%
Contract Labor	17,675,337	15,325,749	15%	17,738,400	(0.4%)
Medical Fees	18,833,204	19,543,662	(4%)	19,357,281	(3%)
Other Professional Fees	15,982,130	19,882,848	(20%)	19,200,568	(17%)
Supplies	57,037,355	58,660,859	(2.8%)	56,395,492	1%
Purchased Services	21,535,987	20,782,959	4%	20,967,646	3%
Other Expenses	16,730,664	17,147,502	(2%)	16,274,283	3%
Operating Expenses	384,491,018	373,761,908	3%	364,735,677	5%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 34,281,852	\$ 12,637,344	171.3%	\$ 20,702,160	66%
EBIDA Margin	8%	3%	150%	5%	52%
Interest	2,482,761	3,763,282	(34%)	2,790,394	(11%)
Depreciation	5,415,123	6,291,442	(14%)	5,653,137	(4%)
Amortization	2,113,633	1,769,503	19%	820,855	157%
Total Expenses	394,502,535	385,586,135	2%	374,000,063	5%
Operating Gain (Loss)	\$ 24,270,335	\$ 813,117	2885%	\$ 11,437,774	112%
Operating Margin	6%	0.2%	2654%	3%	95%

**KERN MEDICAL
BALANCE SHEET**

	MAY 2020	MAY 2019
ASSETS:		
<i>Total Cash</i>	\$ 51,608,155	\$ 38,520,292
Patient Receivables Subtotal	276,711,913	176,066,552
Contractual Subtotal	(214,319,542)	(134,801,351)
<i>Net Patient Receivable</i>	62,392,371	41,265,201
Total Indigent Receivable	119,543,662	81,987,878
Total Other Receivable	9,386,250	7,245,279
Total Prepaid Expenses	3,744,926	4,686,349
Total Inventory	5,748,721	5,640,410
<i>Total Current Assets</i>	252,424,086	179,345,409
Deferred Outflows of Resources	85,573,671	74,499,994
Investments Deposited with Trustee	931,830	922,330
Total Land, Equipment, Buildings and Intangit	194,380,444	158,231,583
Total Construction in Progress	15,675,549	34,017,891
<i>Total Property, Plant & Equipment</i>	210,055,993	192,249,474
Total Accumulated Depr & Amortization	(114,936,765)	(106,795,963)
<i>Net Property, Plant, and Equipment</i>	95,119,228	85,453,510
<i>Total Long Term Assets</i>	86,505,500	75,422,324
<i>Total Assets</i>	\$ 434,048,814	\$ 340,221,244

**KERN MEDICAL
BALANCE SHEET**

	MAY 2020	MAY 2019
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 21,742,010	\$ 29,781,696
Total Accrued Compensation	34,132,148	27,901,040
Total Due Government Agencies	37,152,934	51,809,391
Total Other Accrued Liabilities	80,602,266	41,938,693
<i>Total Current Liabilities</i>	173,629,358	151,430,820
Unfunded Pension Liability	307,234,709	293,255,458
Other Long-Term Liabilities	112,681,492	135,046,151
<i>Total Long-Term Liabilities</i>	419,916,201	428,301,609
<i>Total Liabilities</i>	593,545,559	579,732,428
<hr/>		
Fund Balance	36,714,021	36,714,021
Retained Earnings	(196,210,766)	(276,225,206)
<i>Total Fund Balance</i>	(159,496,745)	(239,511,185)
<i>Total Liabilities and Fund Balance</i>	\$ 434,048,814	\$ 340,221,244



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

July 15, 2020

Subject: Kern County Hospital Authority Chief Executive Officer Report

Recommended Action: Receive and File

Summary:

The Chief Executive Officer of the Kern County Hospital Authority will provide your Board with a hospital-wide update.

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Health and Safety Code Section 101855(j)(2)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on July 15, 2020, to discharge its responsibility to evaluate and improve the quality of care rendered by health facilities and health practitioners. The closed session involves:

 X Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

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**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on July 15, 2020, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

 X CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Martin L. Goldman,
M.D., an individual v. Kern County Hospital Authority, et al., Kern County Superior
Court Case No. BCV-18-100390 SDS –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on July 15, 2020, to consider:

 X PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on July 15, 2020, to consider:

- X CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6)