

1 Project Document. This Master Agreement, each Grant Project Document, and Exhibit "A"
2 and Exhibit "B" to the Grant Project Document are collectively called the "Agreement."
3 Where the context so requires, the term "Agreement " may also mean an individual Grant
4 Project Document, Exhibit "A" or Exhibit "B".

5 C. During the last six (6) months of the original or any extended term of this
6 Master Agreement, PHFE shall not apply for any grant as a co-applicant with the City or
7 on behalf of the City where the grant has a term longer than six (6) months.

8 2. Grant Project Document. For each grant application that is subject to this
9 Agreement, PHFE will provide a Grant Project Document that contains the details of that
10 grant. The Grant Project Document shall be signed by both parties in duplicate originals,
11 shall be numbered sequentially (such as "Grant Project Document No. 1) and shall become
12 a part of this Master Agreement. The City will file certain Grant Project Documents with
13 City's City Clerk, as appropriate.

14 3. Term. . This Agreement shall begin on October 1, 2005 and expire on
15 September 30, 2008 unless terminated earlier as provided below. Each Grant Project
16 Document may have a different term. If the term for performance of a grant extends
17 beyond the expiration or termination of this Agreement, then this Agreement shall
18 automatically be extended until the term of the grant expires or is terminated.

19 The City shall have the option to extend this term for two (2) separate,
20 consecutive periods of one (1) year each by giving notice of its intent to extend to PHFE.
21 If the term is extended, then this Agreement shall be amended to reflect that extension.

22 Either party may terminate this Master Agreement for cause by giving sixty
23 (60) days prior notice to the other party provided, however, that if either party has
24 obligations to perform under the terms of a grant funding agreement, then those obligations
25 shall continue until the grant expires or is terminated.

26 4. Insurance. PHFE shall procure and maintain at PHFE's expense for the
27 duration of the Agreement from insurance companies that are admitted to write insurance
28 in California or from authorized non-admitted insurance companies that have ratings of or

1 equivalent to A:VIII by A.M. Best Company:

2 (a) Commercial general liability insurance (equivalent in scope to ISO form
3 CG 00 01 11 85 or CG 00 01 11 88) in an amount not less than One Million Dollars
4 (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general
5 aggregate. Such coverage shall include but not be limited to broad form contractual
6 liability, cross liability, independent contractors liability, and products and completed
7 operations liability. The City, its officials, employees and agents shall be named as
8 additional insureds by endorsement (on the City's endorsement form or on an
9 endorsement equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85),
10 and this insurance shall contain no special limitations on the scope of protection
11 given to the City, its officials, employees and agents.

12 (b) Workers' compensation insurance as required by the California Labor
13 Code and employer's liability insurance in an amount not less than One Million
14 Dollars (\$1,000,000) per accident.

15 (c) Commercial automobile liability insurance (equivalent in scope to ISO
16 form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto), in an amount not less
17 than Five Hundred Thousand Dollars (\$500,000) combined single limit per accident.

18 Any self-insurance program, self-insured retention, or deductible must be
19 separately approved in writing by City's Risk Manager or designee and shall protect the
20 City, its officials, employees and agents in the same manner and to the same extent as
21 they would have been protected had the policy or policies not contained retention or
22 deductible provisions. Each insurance policy shall be endorsed to state that coverage shall
23 not be reduced in coverage, nonrenewed, or canceled except after thirty (30) days prior
24 written notice to City, and shall be primary and not contributing to any other insurance or
25 self-insurance maintained by the City, its officials, employees and agents. PHFE shall
26 notify the City within five (5) days after any insurance has been voided by the insurer or
27 cancelled by the insured.

28 PHFE shall require that all contractors and subcontractors which PHFE uses

1 in the performance of services under the Agreement maintain insurance in compliance with
2 this Section unless otherwise agreed in writing by City's Risk Manager or designee.

3 Prior to the start of performance under this Agreement, PHFE shall deliver
4 to City certificates of insurance and required endorsements, including any insurance
5 required of PHFE's contractors and subcontractors, for approval as to sufficiency and
6 form. The certificates and endorsements shall contain the original signature of a person
7 authorized by that insurer to bind coverage on its behalf. In addition, PHFE shall, at least
8 thirty (30) days prior to expiration of the insurance, furnish to the City certificates of
9 insurance and endorsements evidencing renewal of such insurance. City reserves the right
10 to require complete certified copies of all policies of PHFE and PHFE's contractors and
11 subcontractors, at any time. PHFE and PHFE's contractors and subcontractors shall make
12 available to the City all books, records and other information relating to this insurance
13 coverage during normal business hours.

14 Any modification or waiver of these insurance requirements shall only be
15 made with the written approval of the City's Risk Manager or designee. Not more
16 frequently than once a year, the City's Risk Manager or designee may require that PHFE,
17 PHFE's contractors and subcontractors change the amount, scope or types of coverages
18 if, in his or her sole opinion, the amount, scope, or types of coverages are not adequate.

19 The procuring or existence of insurance shall not be construed or deemed
20 as a limitation on liability relating to PHFE's performance of services or as full performance
21 of or compliance with the indemnification provisions in the Agreement.

22 5. Fee. If the efforts of PHFE do not result in the receipt of grant funding by
23 the City with respect to a Grant Project Document, then the City shall not owe any fee to
24 PHFE. If the efforts of PHFE result in the receipt of grant funding, then the fee payable
25 to PHFE shall be an amount authorized by the funding entity under the grant, but not to
26 exceed 8%. Any amount authorized by the funding entity under the grant as an
27 administrative fee in excess of 8% shall be paid to or retained by the City.

28 6. Notice. Notices given pursuant to the Agreement shall be in writing and

1 personally delivered or deposited in the U. S. Postal Service, first class, postage prepaid
2 addressed to the City at 333 West Ocean Boulevard, Long Beach, CA 90802 Attn: City
3 Manager and to PHFE at the address first stated above. Notice shall be deemed given on
4 the date personal delivery is made or on the date deposited in the mail, whichever occurs
5 first. Notice of change of address shall be given in the same manner as stated for other
6 notices.

7 7. Audit. City shall have the right at all reasonable times during the term of
8 this Master Agreement and for a period of two (2) years following the termination or
9 expiration of this Master Agreement or a grant funding agreement to examine, audit,
10 inspect, review, extract information from, and copy all books, records, accounts and other
11 documents relating to this Master Agreement and any grant obtained as a result of this
12 Master Agreement.

13 8. Key Employees. The parties acknowledge that a substantial inducement
14 to City for entering this Master Agreement was and is the reputation and skill of PHFE's
15 key employees Gerald R. Solomon and Dani Sheard. City shall have the right to approve
16 any person proposed by PHFE to replace one or both of these key employees.

17 9. Confidentiality. If, during the course of performing services under this
18 Master Agreement, PHFE obtains information that is subject to the Health Insurance
19 Portability and Accountability Act of 1996 ("HIPAA"), then PHFE, its officers and employees
20 shall keep that information confidential and shall not disclose it or use it directly or indirectly
21 to any third party or use it for its own benefit.

22 10. Indemnification. With respect to services that it performs under this
23 Master Agreement, PHFE shall indemnify and hold harmless the City, its officials and
24 employees (collectively in this Section "City") from and against any and all liability, claims,
25 demands, damage, loss, causes of action, proceedings, penalties, costs and expenses
26 (including attorney's fees, court costs, and expert and witness fees)(collectively "Claims"
27 or individually "Claim"). Claims include allegations and include by way of example but are
28 not limited to: Claims for property damage, personal injury or death arising, in whole or in

1 part, from any negligent act or omission of PHFE, its officers, employees, and agents
2 (collectively "Indemnitor"); PHFE's breach of the Agreement; misrepresentation; willful
3 misconduct; and Claims by any employee of PHFE relating to worker's compensation.
4 Independent of the duty to indemnify and as a free-standing duty on the part of PHFE,
5 PHFE shall defend the City and shall continue such defense until the Claim is resolved,
6 whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault,
7 breach, or the like on the part of Indemnitor shall be required for the duty to defend to
8 arise. PHFE shall give to the City notice of any Claim within ten (10) days. Likewise, City
9 shall notify PHFE of any Claim and shall assist PHFE, as may be reasonably requested,
10 in the defense.

11 11. Ownership of Software and Hardware. The City shall own all software
12 and hardware purchased through any grant that it receives as a result of the services
13 performed by PHFE through this Agreement.

14 12. Miscellaneous. A. If there is any conflict between this Agreement and
15 any Grant Project Document or any Exhibit, then the provisions of the Grant Project
16 Agreement, grant application or grant funding agreement shall govern.

17 B. This Agreement is not intended or designed or entered for the purpose
18 of creating any benefit or right for any person or entity of any kind that is not a party to this
19 Agreement.

20 C. If there is any legal proceeding between the parties to enforce or interpret
21 the Agreement or to protect or establish any rights or remedies under the Agreement, the
22 prevailing party shall be entitled to its costs and expenses, including reasonable attorney's
23 fees.

24 D. No provision or breach of the Agreement including a Grant Project
25 Document shall be waived except in writing signed by the parties which expressly refers
26 to this Master Agreement.

27 E. This Master Agreement, each Grant Project Document, and each grant
28 funding agreement together constitute the entire understanding of the parties and

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1 supersedes all other agreements, oral or written with respect to the subject matter in this
2 Master Agreement and the Grant Project Documents.

3 F. Termination or expiration of this Master Agreement shall not affect rights
4 or liabilities which accrued under it prior to termination or expiration.

5 G. PHFE shall not use the name of the City, its officials or employees in any
6 advertising or solicitation for business nor as a reference without the prior approval of the
7 City's City Manager.

8 H. The acceptance of service or the payment of money by the City shall not
9 operate as a waiver of any provision of the Agreement or of any right to damages or
10 indemnity stated in the Agreement. The waiver of any breach shall not constitute a waiver
11 of any other or subsequent breach.

12 I. PHFE shall not assign any interest in the Agreement or any portion of the
13 Agreement without the prior approval of the City Manager. Any attempted assignment or
14 delegation of obligations under this Master Agreement shall be void and any assignee or
15 delegate shall acquire no right or interest by reason o the attempted assignment or
16 delegation. Furthermore, PHFE shall not subcontract any portion of the performance of
17 this Master Agreement without the prior approval of the City Manager or his designee.

18 IN WITNESS WHEREOF, the parties have caused this document to be duly

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1 executed with all formalities required by law as of the date first stated above.

2 PUBLIC HEALTH FOUNDATION ENTERPRISES INC., a
3 California corporation, doing business as PHFE
4 MANAGEMENT SOLUTIONS

4 March 2, 2006

By [Signature]
President
Gerald R. Solomon
(Print or Type Name)

6 March 2, 2006

By [Signature]
Secretary
Robert D. Westfall
(Print or Type Name)

9 "PHFE"

10 CITY OF LONG BEACH, a municipal corporation

11 April 25, 2006

By Christine J. Sheppiz ASSISTANT
City Manager

13 "City"

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

14 This Agreement is approved as to form on 4/6, 2006.

15 ROBERT E. SHANNON, City Attorney

By [Signature]
Senior Deputy

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27 DFG:9-14-05;10-17-05;2-9-06(AGR MasterAgrPHFEGrant)05-04125

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