

Project: Pueblo Radiology
APN: 059-140-029
Folio: 003665
Agent: DG

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (hereinafter "Agreement" or "License Agreement") is made by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California (hereinafter "COUNTY"), and PUEBLO RADIOLOGY MEDICAL GROUP, INC, a California corporation (hereinafter "LICENSEE"), with reference to the following:

WHEREAS, the COUNTY is the owner of that certain real property known as County Assessor Parcel Number 059-140-029 in the unincorporated area of Santa Barbara County, shown as the cross-hatched area on "EXHIBIT A" attached hereto and incorporated herein by this reference, (hereinafter "Property"), which includes the building located at 315 Camino del Remedio, Building 3, on the COUNTY's Calle Real Campus; and

WHEREAS, LICENSEE is a California corporation dedicated to providing high quality diagnostic imaging (radiology) services in a professional, compassionate, and timely manner for individual patients, referring physicians, and hospital affiliates; and

WHEREAS, LICENSEE has been providing radiology services for the Santa Barbara County patients as well as patients from other agencies (e.g. Veteran's Administration) under a Lease Agreement at this location since 2012; and

WHEREAS, the Lease Agreement executed on August 8, 2012, will expire on August 31, 2017, and the COUNTY and LICENSEE, wish to continue this mutually beneficial relationship under this license agreement through June 30, 2019.

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

1. **RIGHTS GRANTED:** For and in consideration of the terms and conditions detailed in the Radiology Services Agreement to be performed by LICENSEE as the basis for this Agreement, and the terms and conditions of this Agreement, COUNTY hereby grants to LICENSEE a personal, revocable and non-assignable right to enter upon and use a portion of the COUNTY-owned property known as Building 3 located at 315 Camino del Remedio, CA 93117. The specific area covered by this Agreement is marked "EXHIBIT B" attached hereto and incorporated herein by this reference, (hereinafter "Premises") and shown as the gray shaded areas consisting of Room 123 and X-Ray Room 1 an area of approximately 700 square feet.

LICENSEE accepts the Premises as is, and agrees to make any alterations to Building 3 that may be required as a result of or arising from LICENSEE's use at their sole expense and subject to approval by COUNTY in accordance with Section 10, *MAINTENANCE AND REPAIR*, hereof. COUNTY reserves the right to use the Property and Premises for other purposes not inconsistent with this Agreement.

LICENSEE shall remove all radiology equipment and supplies prior to expiration of this Agreement at LICENSEE's sole expense. Upon removal of the equipment, LICENSEE shall repair any damage caused thereby to the Premises and Property, including but not limited to capping and properly deactivating all affected electrical connections, panels, etc.

Parking: LICENSEE's rights shall include the nonexclusive use of the parking areas on the Property, subject to any restrictions that may be imposed by COUNTY. LICENSEE acknowledges that COUNTY may relocate and reconstruct parking spaces on the Property. In the event COUNTY must restrict parking on the property for any reason, COUNTY shall provide LICENSEE prior written notice of such restriction pursuant to Section 19, *NOTICES*.

2. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for the COUNTY by the Director of the Public Health Department, or their designee.

3. **PURPOSE AND USE OF PROPERTY:** LICENSEE shall use the appropriate Building 3 space and radiology equipment solely for the purpose of providing radiology services to COUNTY patients as well as patients from other agencies. LICENSEE shall administer all tasks/services in the provisions of the Radiology Services Agreement and this Agreement in compliance with all applicable state and local laws, regulations, rules and ordinances, guidelines, policies, directives, and standards. LICENSEE shall not use the Property for any other purposes without the express written consent of COUNTY.

4. **TERM:** This Agreement shall commence upon COUNTY'S final execution of this Agreement and unless otherwise agreed to in writing shall terminate no later than June 30, 2019.

5. **RENT:** In accordance with Government Code Section 26227 and the Santa Barbara County Board of Supervisors' determination that the operations of LICENSEE are a benefit to the community and in consideration of LICENSEE'S continued provision of services, base rent shall be waived during the term.

6. **PROPERTY SUITABILITY:** LICENSEE has been providing radiology services at the Property location since September 2012 and determines that they are suitable for LICENSEE'S ongoing operations for radiology services, and therefore, LICENSEE hereby accepts, by way of executing this Agreement, the Property and Premises, in its existing condition.

LICENSEE ACKNOWLEDGES THAT, EXCEPT AS STATED HEREIN, COUNTY HAS MADE NO REPRESENTATIONS OR WARRANTIES ABOUT THE CONDITION OF THE PROPERTY, OR THE SUITABILITY OF SAME FOR THE INTENDED USE BY LICENSEE.

7. **ABANDONMENT:** LICENSEE shall not abandon, vacate, surrender or assign use of the Property or Premises at any time during the term of this Agreement. If LICENSEE does abandon, vacate, surrender or assign use of the Property or Premises, this Agreement and all of LICENSEE'S rights thereto shall, at the sole option of COUNTY, terminate after notice and the right to cure as provided in Section 21, *REMEDIES*. Except as set forth in Section 24, *TERMINATION*, any personal property belonging to LICENSEE, with the exception of X-Ray equipment, and left on the Property and/or Premises more than thirty (30) days after LICENSEE vacates the Property and/or Premises, shall be deemed abandoned at the option

of COUNTY, and title shall pass to COUNTY. This provision shall also apply to personal property left after the termination of this Agreement.

As stated in Section 1, *RIGHTS GRANTED*, LICENSEE must properly remove and dispose of any X-Ray equipment on the Property and/or Premises and repair any damage to the Property and/or Premises as a result of such removal. This requirement is not voided by abandonment.

8. **NONINTERFERENCE:** LICENSEE agrees not to use, nor permit those under its control, including, but not limited to, its employees, clients, tenants, invitees, volunteers, agents and/or independent contractors, to use any portion of the Property or Premises in any way which interferes with other COUNTY operations on the Property, Premises and Building 3. Such interference shall be deemed a material breach, and LICENSEE shall terminate said interference immediately upon notice from COUNTY.

9. **UTILITY CHARGES:** COUNTY shall provide utilities to the Property and Premises, which includes electricity, gas, trash, and water/sewer. Internet and cable are excluded from COUNTY provision. One telephone connection for usage within the County of Santa Barbara shall be maintained by COUNTY. All other telephone connections, services and applicable service fees are the responsibility of LICENSEE.

10. **MAINTENANCE AND REPAIR:** The Property and Premises are accepted by LICENSEE in their current condition. COUNTY shall be responsible for all maintenance and repair to the Property and/or Premises to keep it in a safe and workable condition. COUNTY, its elected officials, officers, agents, employees and representatives, attorneys and contractors or its designees reserve the right to enter the Property and/or Premises at all reasonable times to inspect, and LICENSEE agrees that it will facilitate any such inspection.

10.1 **Improvement/Alterations:** Any structural improvements or alterations made by LICENSEE to the interior or exterior of the Property and/or Premises must receive prior written approval from COUNTY, and all costs shall be the responsibility of LICENSEE.

10.2 **Repair/Improvement/Alteration Requests:** LICENSEE shall obtain COUNTY approval in writing prior to performing any repairs, improvements or alterations to Property and/or Premises. To request approval, LICENSEE shall provide a written request to the County contact as specified in *Section 19, NOTICES*.

10.3 **Unforeseen Repairs:** In the event that unforeseen repairs are either (a) necessary to repair damage that renders or could render the Property and/or Premises uninhabitable or (b) are cost-prohibitive, LICENSEE and COUNTY shall negotiate the costs and responsibilities for making such repairs. In the event LICENSEE and COUNTY cannot reach agreement as to the cost of such repairs, either party may terminate this Agreement in accordance with Section 25, *TERMINATION*, herein below. This section shall not apply to emergency repairs that COUNTY determines in its sole judgment are necessary to preserve or protect the Property and/or Premises.

11. **SUCCESSORS IN INTEREST:** This Agreement and the covenants contained herein shall be binding upon and inure to the benefit of the respective parties and to any government or private organization into which LICENSEE may be merged.

12. **INDEMNIFICATION AND INSURANCE:** LICENSEE shall comply with the indemnification and insurance provisions as set forth in "EXHIBIT C" attached hereto and incorporated by reference.

13. **NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS:** LICENSEE shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

14. **NONDISCRIMINATION:** LICENSEE shall comply with COUNTY laws, rules and regulations regarding nondiscrimination as such are found in the Santa Barbara County Code and as such may from time to time be amended. These provisions are incorporated herein as if they were fully set forth.

Noncompliance with provisions of this section shall constitute a material breach of this Agreement and in addition to any other remedies provided by law, COUNTY shall have the right, after notice and the right to cure as provided in Section 21, *REMEDIES*, to terminate this Agreement and the interest hereby created without liability therefor. LICENSEE shall also comply with applicable State or Federal laws, rules and regulations regarding nondiscrimination.

15. **ENVIRONMENTAL IMPAIRMENT:** LICENSEE shall comply in all material respects with all applicable laws, regulations, ordinances, guidelines, policies, directives, standards, rules and orders regardless of when they become or became effective, including without limitation those relating to construction, grading, signing, health, safety, noise, environmental protection, waste disposal, water and air quality, and shall furnish satisfactory evidence of compliance upon request by COUNTY. Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property or Premises due to LICENSEE'S use and occupancy, LICENSEE shall clean all property affected to the satisfaction of COUNTY and any governmental body having jurisdiction therefor. LICENSEE shall indemnify, hold harmless, and defend COUNTY from and against any and all claims, demands, causes of action, damages, costs, expenses (including without limitation any fines, penalties, judgments, litigation costs, attorney's fees, consulting, engineering and construction costs), judgments, or liabilities incurred by COUNTY arising out of, in connection with, or related to LICENSEE'S breach of this section, or arising out of, in connection with, or related to any such discharge, leakage, spillage, emission or pollution due to LICENSEE'S use and occupancy, regardless of whether such claim, demand, cause of action, damage, cost, expense, judgment or liability arises during or after the term of this Agreement, and regardless of negligence, active or passive, of COUNTY.

16. **TOXICS:** LICENSEE shall not manufacture or generate hazardous wastes on the Property or Premises unless authorized by this Agreement. LICENSEE shall be fully responsible for any hazardous wastes, substances or materials as defined under state or local law, regulation, or ordinance that are manufactured, generated, used, placed, disposed, stored, or transported by LICENSEE, its officers, agents, representatives, employees, volunteers, independent contractors or designees on or in the Property or Premises during the term of this Agreement, and shall comply with and be bound by all applicable provisions of such state, or local law, regulation, or ordinance dealing with such wastes, substances, or materials. LICENSEE shall notify COUNTY and the appropriate governmental emergency response agency(ies) immediately in the event of any release or threatened release of any

such wastes, substances or materials.

17. **MEDICAL WASTE:** Medical Waste disposal is to be provided by COUNTY. LICENSEE must adhere to all COUNTY requirements for proper storage of medical waste and assist in medical waste disposal by COUNTY staff or contract services.

18. **COMPLIANCE WITH THE LAW:** LICENSEE shall comply with all applicable laws, rules, regulations and ordinances as amended, affecting the Property and Premises now or hereafter in effect. In addition, LICENSEE shall comply with all applicable COUNTY security programs and policies regarding the Property and Premises.

19. **NOTICES:** Any notice to be given to the parties shall be in writing and shall be served, either personally or by mail, to the following:

COUNTY: Dana Gamble, Assistant Deputy Director
Santa Barbara County Public Health Department
Primary Care and Family Health Division
300 N. San Antonio Road, Building 1
Santa Barbara, CA 93110
805-681-5171 Fax 805-681-5200

LICENSEE: Charles Scudelari, Chief Operating Officer
Pueblo Radiology Medical Group, Inc.
2320 Bath Street, Suite 113
Santa Barbara CA 93105

or to the parties at such other place as may be designated in writing. Such notices shall be served by depositing them addressed as set out above, postage prepaid, in the U.S. mail, reliable overnight courier, or by personal delivery. The date of mailing, or in the event of personal delivery, the date of delivery shall constitute the date of service.

20. **DEFAULT:** Except as otherwise required herein, should LICENSEE at any time be in material default hereunder with respect to any covenant contained herein, COUNTY shall give notice to LICENSEE specifying the particulars of the default and LICENSEE shall promptly commence remedial action to cure the default. Should such default continue uncured for a period of thirty (30) calendar days from such notice, this Agreement shall terminate at the option of the COUNTY; unless the cure of such default shall reasonably take more than thirty (30) calendar days in which case LICENSEE shall proceed with all due speed to cure the default and shall have a reasonable time to effectuate its cure.

21. **REMEDIES:** In the event of a default or breach, either party may exercise any right or remedy at law or in equity which such party may have by reason of such default or breach including but not limited to the following:

- A. The nondefaulting party may waive the default or breach in accordance with Section 22, WAIVER, herein below.
- B. The nondefaulting party may maintain this Agreement in full force and effect, and recover whatever monetary loss(es) may have resulted from such default or breach.

- C. Where COUNTY is the nondefaulting party, COUNTY may terminate the Agreement and LICENSEE shall surrender use of and vacate the Property and Premises within sixty (60) days of receipt of written notice of termination from COUNTY.

22. **WAIVER:** It is understood and agreed that any waiver of any term of this Agreement or any default or breach of this Agreement shall not be deemed to be a waiver of any continuing or subsequent default or breach or of any other provision of this Agreement. Waivers of provisions of this Agreement must be in writing and signed by the Director of the Public Health Department or their designee and LICENSEE.

23. **AMENDMENTS:** This Agreement may only be amended by written consent of the parties and such changes shall be binding upon the heirs or successors of the parties.

24. **TERMINATION:** This Agreement shall terminate:

- A. Upon abandonment of the Property as provided in Section 7, *ABANDONMENT*;
or
- B. Upon LICENSEE'S default as provided in Section 20, *DEFAULT*, and in Section 21, *REMEDIES*; or
- C. As provided in Section 25, *DESTRUCTION* of Property; or
- D. Upon termination of the Radiology Services Agreement for cause pursuant to Section 19 of the Radiology Services Agreement.

Upon termination of this Agreement, as set forth in either this Section or Sections stated above, all rights of LICENSEE to occupy the Property and Premises shall cease, and LICENSEE shall quietly and peacefully deliver to COUNTY possession and interest in the Property and Premises leaving it in good condition, except for ordinary wear and tear. LICENSEE will have the right to remove all of their furniture, appliances, unattached fixtures, improvement specific to the radiology services, and equipment owned by the LICENSEE.

25. **DESTRUCTION:** If the Property and/or Premises are partially or totally destroyed by fire or other casualty, this Agreement, at the option of LICENSEE, shall terminate. If LICENSEE chooses to terminate the Agreement then LICENSEE, at COUNTY'S option, shall remove all of LICENSEE'S structures and equipment from the Property and Premises. The COUNTY does not insure personal property owned by LICENSEE.

26. **AGENCY DISCLOSURE:** LICENSEE acknowledges that the COUNTY is not its agent in this transaction nor does it provide legal representation to LICENSEE. LICENSEE has had the opportunity to consult with its own attorneys regarding this Agreement. COUNTY is neither the agent for LICENSEE nor a dual agent in this transaction and has not provided legal advice to LICENSEE.

27. **CAPTIONS:** The title or headings to the sections of this Agreement are not a part of this Agreement, and shall have no effect upon the construction or interpretation of any part hereof.

28. **SEVERABILITY:** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

29. **CERTIFICATION OF SIGNATORY:** The signatories of this Agreement and each of them represent and warrant that they are authorized to execute this Agreement and that no additional signatures are required to bind COUNTY and LICENSEE to its terms and conditions or to carry out duties contemplated herein.

30. **ENTIRE AGREEMENT:** The parties to this Agreement intend that their negotiations, conversations and statements made prior to execution of this Agreement are fully integrated and expressed herein, and no such negotiations, conversations, and statements shall be deemed to create rights or obligations other than those stated herein.

///

///

///

Project: Pueblo Radiology
APN: 05—140-029
Folio: 003665
Agent: DG

IN WITNESS WHEREOF, COUNTY and LICENSEE have executed this Agreement by the respective authorized representatives as set forth below to be effective as of the date executed by COUNTY.

“COUNTY”
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Joan Hartmann, Chair
Board of Supervisors

By: _____
Deputy Clerk

Dated: _____

APPROVED:

By: _____
Director
Public Health Department

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: _____
Deputy County Counsel

By: _____
Deputy Auditor-Controller

APPROVED:

APPROVED:

By: _____
Ray Aromatorio, ARM, AIC
Risk Manager

By: _____
Don Grady, Esq.
Real Property Division Manager

(LICENSEE 'S signatures)

“LICENSEE”

Pueblo Radiology Medical Group, Inc.

Charles Scudelari, Chief Operating Officer

Pueblo Radiology Medical Group, Inc.

Lawrence P. Hartes, MD, President

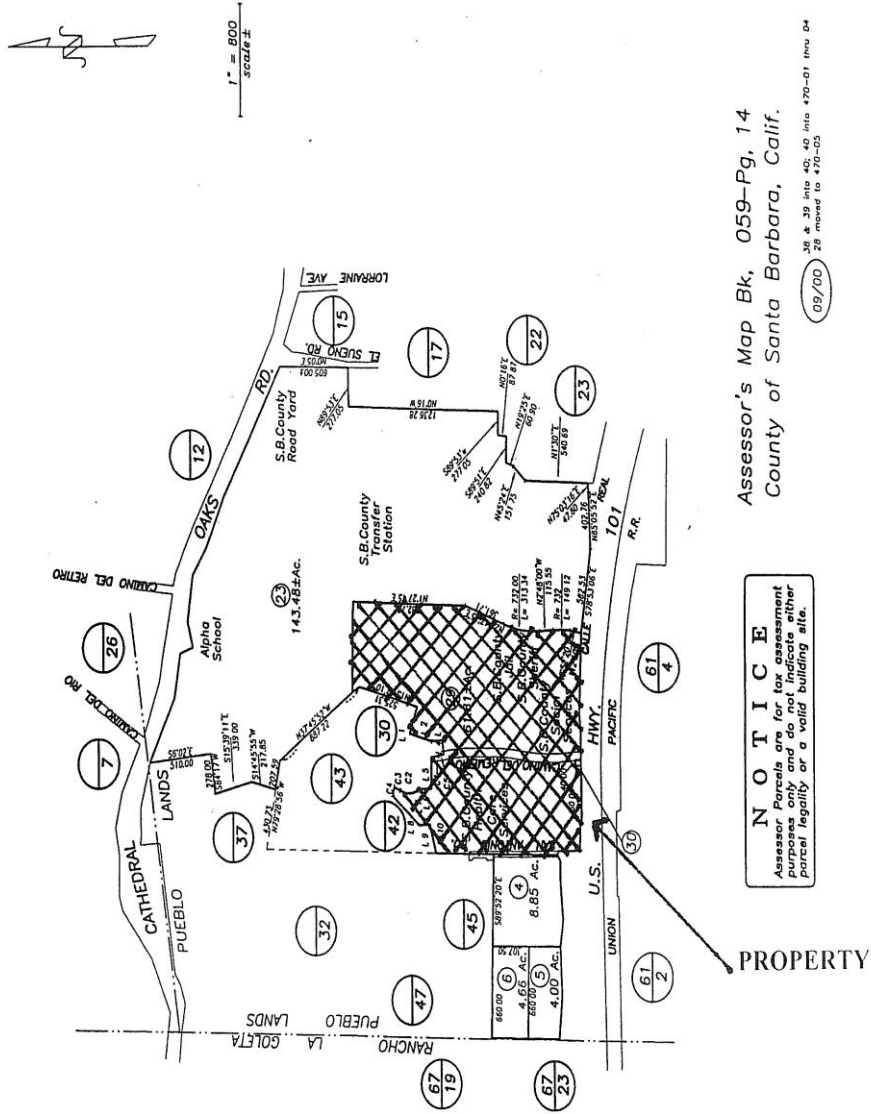


EXHIBIT A

EXHIBIT B

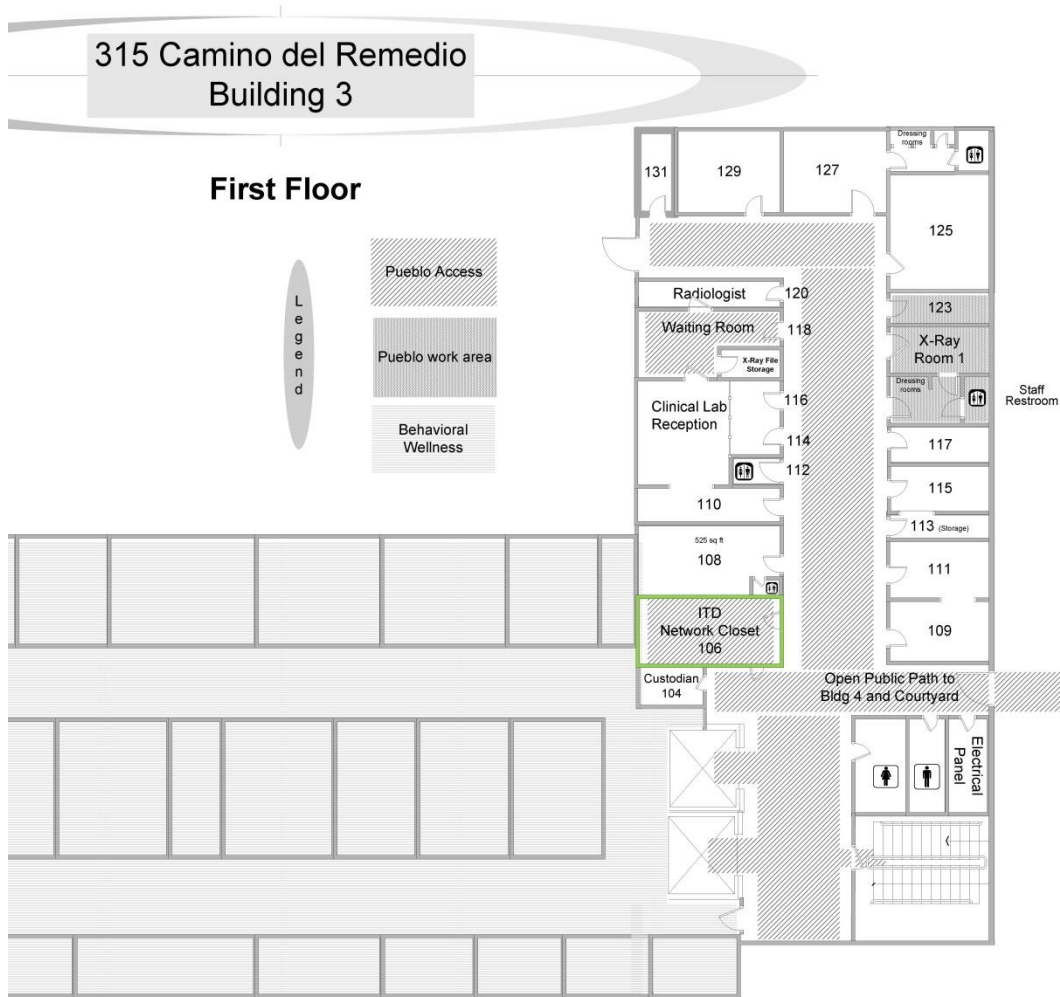


EXHIBIT C

Indemnification and Insurance Requirements

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. This Indemnification provision shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONTRACTOR has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

2. **Primary Coverage** – For any claims related to this Agreement, the CONTRACTOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, agents or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement.
9. **Special Risks or Circumstances** – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.