



**City of Los Angeles  
Department of Animal Services**

**D-R-A-F-T**

City Agreement Number \_\_\_\_\_

WITH Value Vet, Inc.

To Provide Spay/Neuter and Related Veterinary Services

At the

West Los Angeles Animal Care Center  
Spay/Neuter Clinic  
11361 W. Pico Boulevard  
Los Angeles, CA 90064

City Agreement Number \_\_\_\_\_

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PERSONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF LOS ANGELES  
AND VALUE VET, INC.

FOR THE OPERATION OF THE SPAY/NEUTER CLINIC AT  
THE WEST LOS ANGELES ANIMAL CARE CENTER

To City Agreement Number \_\_\_\_\_

THIS PERSONAL SERVICES AGREEMENT ("Agreement") is entered into as of \_\_\_\_\_, 2014, and will be effective on the date the Office of the City Clerk attests this Agreement ("Execution Date"), between the City of Los Angeles ("City"), a municipal corporation, acting by and through the Department of Animal Services ("Department"), the Department of General Services ("GSD"), and Value Vet, Inc. (dba Shelter Vet) which is authorized to do business in the State of California, with regard to the following:

WHEREAS, the Department desires Contractor to provide spay/neuter surgeries and related services at the West Los Angeles Animal Care Center Spay/Neuter Clinic ("Clinic"); and

WHEREAS, the Contractor was selected pursuant to a Request for Proposals ("RFP") issued by the Department on July 29, 2014 to solicit such services, and Contractor submitted a proposal in response to the RFP, met the requirements, and was awarded this Agreement by the Animal Services Board of Commissioners ("Board") on October 28, 2014, and approved by the City Council on [DATE], for a one-year contract, renewable at the City's sole discretion for up to five additional years, for a period of up to six years (C.F. XX-XXXX); and

WHEREAS, the Contractor will provide spay/neuter services for Care Center cats, dogs, and rabbits (as needed) that are adopted from the Care Center as well as to pets owned by qualifying residents near or in the Los Angeles area; and

WHEREAS, operating the Clinic will augment the Department's ability to provide spay/neuter services to adopters and residents in Los Angeles and benefit the public; and

WHEREAS, the Contractor will accept the fees for spay/neuter surgeries listed herein; and

WHEREAS, GSD provides real estate asset management and related building maintenance and repair services for the City's real property; and the Department provides services related to the care and welfare of animals in the City of Los Angeles, and administers agreements related to providing said services; and

WHEREAS, the Contractor shall also execute the license agreement attached as Exhibit A and shall be subject to the terms of the license agreement; and

NOW THEREFORE, In consideration of the above premises and of the covenants and representations set forth herein, the parties agree as follows:

Section I. Representatives of the Parties and Service of Notice

A. The representatives of the parties authorized to administer this Agreement, and to whom formal notices, demands, and communications shall be given are as follows:

1. The representative of the City shall be the General Manager of the Department, or that person's authorized representative, as follows:  
 Brenda F. Barnette  
 General Manager, Department of Animal Services  
 221 North Figueroa Street, Suite 500  
 Los Angeles, California 90012
  
2. The representative of GSD shall be the General Manager of that department, or that person's authorized representative, as follows:  
 Tony M. Royster  
 General Manager, Department of General Services  
 111 East First Street, Room 201  
 Los Angeles, California 90012
  
3. The representative of Contractor shall be:  
 Name, Title  
 Value Vet, Inc.  
 Address  
 City

B. Formal notices, demands, and communications required hereunder by any party shall be made in writing and communicated by U.S. mail, fax, or email.

C. If the name of the person designated to receive the notices, demands, or communications, or the address of such person is changed, written notice shall be given to the other parties within five (5) business days of said change.

**Section II. Term**

Unless terminated earlier pursuant to this Agreement or pursuant to termination provisions within the attached exhibits incorporated herein, the term of this Agreement shall be for ONE YEAR, and may be renewed for up to FIVE additional years at the sole discretion of the Department and GSD. The City intends to exercise the renewal option on the condition that the Contractor's performance reasonably meets the expectations stipulated in this Agreement.

**Section III. Maximum Payment**

Payment to the Contractor by the City shall not exceed \$500,000 during each of the City's Fiscal Years (defined as July 1 through June 30) or during any 12 months of the Agreement, including the value of discount coupons and free certificates. This provision shall not mean that the City is required to reach or approach this amount.

**Section IV. License to Use Premises of the Animal Spay Neuter Clinic**

Contractor shall comply with all provisions of the License to Use the Premises of Animal Spay and Neuter Clinic ("License"), attached as Exhibit A, incorporated and made part of this Agreement.

**Section V. Standard Provisions for City Contracts**

Contractor shall comply with all provisions of the City of Los Angeles' Standard Provisions for City Contracts, (Revised 03/09), ("Standard Provisions"), attached as Exhibit B, incorporated and made part of this Agreement.

## **Section VI. Premises**

The premises covered by this Agreement are the Spay/Neuter Clinic ("Premises" or "Clinic") located at the following location:

West Los Angeles Animal Care Center  
11361 W. Pico Boulevard  
Los Angeles, CA 90064

and as further indicated by the shaded portion shown on the Plan attached to the Agreement as **Exhibit C** and incorporated herein by this reference.

## **Section VII. Scope of Services**

The Contractor shall be the sole operator of the Clinic and shall operate the Clinic according to all federal, state, and local laws; shall provide spay/neuter services for adopted animals and animals owned by members of the public, and related veterinary medical services, as described herein; shall provide all staffing, equipment, and supplies; shall obtain all permits, licenses, and registrations required to operate the Clinic; and shall coordinate with Department staff to provide these services, as stipulated herein. In particular, the services to be provided are as follows:

### **A. Surgical Sterilizations**

The Contractor shall use its best efforts to perform timely surgeries on every animal provided to the Contractor by the Department.

The Contractor will perform:

1. Spay and neuter surgeries on qualified animals adopted from the Care Center (including dogs and cats eight weeks of age or older, and rabbits). The shelter operates under circumstances that affect its daily animal population. Some of these include the seasons; demographics; and the economy, among others. Other variables include whether the Department is sponsoring promotions (e.g., discount days, mobile pet adoptions) that impact animal population. Given this, on each day of operation, the Contractor shall use best efforts to perform surgeries on up to (TBD) shelter animals daily if requested to do so by the Department. Contractor's determination shall be based on the number and size of animals of each sex and species that are presented to the Contractor. The animals referred to the Clinic would depend on what is available and the needs of the Department.

Contractor shall coordinate with Care Center staff in the event that the Care Center's volume of surgeries exceeds this number during special adoption events or other events, and the Contractor shall make a reasonable effort to accommodate additional spay/neuter surgeries from the Care Center. The Department reserves the right to send animals to off-site veterinarians in the event that Contractor is unable to accommodate all of the Care Center's spay/neuter needs.

Contractor shall be expected to perform approximately (TBD) spay/neuter surgeries at the Clinic each day of operation, including animals adopted from the Care Center, as well as dogs and cats brought in by members of the public, and accept all Department discount coupons and free certificates or vouchers and Authority For Expenditure for the service. Contractor shall reserve up to (TBD)% of its daily caseload for shelter animals.

2. Pre-surgical physical examinations on all surgical candidates to determine if an animal is qualified for surgical treatment.
3. Other ancillary medical procedures associated with surgical sterilizations, according to the provisions outlined below:
  - a. The Contractor will conform to all surgical standards as required by the California Veterinary Medicine Practice Act (CVMPA).
  - b. Animals deemed unfit or unhealthy by a veterinarian may be rejected for surgical sterilization.
  - c. Animals that are pregnant, in estrus, cryptorchid, or have any other medical condition outside the scope of a healthy animal sterilization, may be surgically sterilized at the discretion of the Contractor's veterinarian.
  - d. Owners of older animals that may require pre-surgical, geriatric blood screening shall be referred to a private veterinarian prior to sterilization.
  - e. If during surgery, the animal is discovered to be already sterilized, the same fee that would have been charged for a standard sterilization shall be charged.

**B. Microchips**

For dogs, cats or rabbits brought in to the Clinic by the public, Contractor shall offer microchips and may (but shall not be required to) charge a fee of \$25.00 per implantation for each microchip. Contractor shall provide the owner (for owned animals) and Department (for shelter animals) with the microchip number.

**C. Licensing**

The Contractor will make reasonable efforts to assist the Department in its efforts to license all dogs within its jurisdiction by providing, along with any other reporting requirements, a monthly report on the licensed dogs entrusted to their care for sterilization to include the following information:

- Dog's name
- Breed of dog
- Owner's name
- Owner's address and phone number
- Dog's license information

The Contractor shall attempt to sell dog licenses or puppy certificates for dogs brought in for veterinary services by persons residing in the City of Los Angeles whose dogs are not licensed. For this service the Contractor will be paid a sum not to exceed \$2.00 or such other amount as determined by the Board of Animal Services Commissioners and approved by the City Council, for each dog license or puppy certificate sold consistent with the guidelines established by the Department. This Section C shall exclude dogs that are adopted from the Care Center and sent to Contractor by the Department for spay/neuter or related services as part of the adoption process.

**D. Emergency Medical Treatment**

Contractor shall monitor all animals under its care and control for post-surgical complications and shall provide appropriate post-surgery medical treatment to animals in the event of an emergency related to the surgery, at no additional cost to the City or the pet owner, so long as such complications are discovered while the animal is under the Contractor's care and control.

The Contractor shall provide appropriate medical treatment to animals in the event of medical emergencies for animals in the care and control of the Contractor. The Contractor will stabilize the animal in the event the animal needs to be transported to another private veterinary hospital, which will be at no additional cost to the City or the pet owner if the emergency is determined to be related to or caused by the sterilization surgery.

Charges for medical emergency treatment for animals in the care and control of the Contractor but not caused as a result of the sterilization by the Contractor, either by the Contractor or at referred veterinary hospitals that are pre-approved by the Department, may be charged to the pet owner, as described in the Contractor's consent form authorizing spay/neuter surgery.

**E. Care of Animals**

1. Contractor's care of animals in its custody shall be in conformance with all federal, state, and local humane laws and statutes. A California-licensed veterinary technician, or equivalent, shall remain on duty following the procedure until each animal's recovery status meets the conditions set forth by the CVMPA to send home with his or her owner or transfer to the care of Care Center staff, depending on where the animal came from.
2. Owned animals unclaimed by owner(s) at the end of the business day shall be kept overnight at the Clinic while reasonable efforts are made by the Contractor to contact the pet owner. Animals unclaimed by owners are considered "abandoned" under State law, and Contractor must follow State abandonment law procedures. Animals that have been adopted and sent to the Contractor for sterilization may be returned to the shelter if the owner does not pick up the animal at the close of business. However, the Contractor may use reasonable efforts to contact the owner and arrange to keep the animal for a longer, and mutually agreeable, period.
3. All pre-adopted animals shall be released on the day of surgery to their owners. Animals that are not pre-adopted shall be released to the Department at such time as medically safe to do so.

**F. Release of Animals**

All animals shall be released to pet owners or adopters with post-operative instructions, including emergency telephone numbers. Should complications occur, the Contractor shall retain responsibility and care for the animal until the complication is abated.

**G. Wellness Clinics**

As part of this Agreement, the Department has expressed its desire for the operation of a Wellness Clinic by Contractor. When the contract is ratified and the Clinic is operational, a contract modification may be negotiated between the parties.

## H. **Optional Services and Additional Fees to the Public**

The Contractor agrees to host ONE low-cost spay/neuter clinic every month, and ONE low-cost vaccination clinic every Sunday. The Contractor may offer to the public additional services, provided that written approval is received from the pet owner. Pricing of these services shall be at the Contractor's discretion, subject to Department approval. The Department shall be notified of any price increase 30 days prior to the effective date and must grant approval of said increase. Once approval has been granted the Contractor shall post the increases and notify the public no less than 14 calendar days before the increases become effective. The notice of new prices shall be posted in a conspicuous place in the Contractor's clinic and if applicable, in its online presence and must indicate the effective date. The Department encourages pricing that maximizes the public's ability to obtain needed services for their pets.

The Contractor currently works with over 13 animal rescue organizations, helping in the welfare of animals, and with homeless, and if they are unable to pay, then given services are provided at no cost. The Contractor also agrees to work with the shelter to assist puppies that have parvo and need fluids and provide these services at no charge to the City.

The Contractor currently offers dental services at a highly reduced rate to shelter animals that are being adopted and spayed or neutered, which their client can accept or decline. The Contractor has an x-ray machine and a orthopedic surgeon on the staff that can help with surgeries on broken limbs.

The Contractor is further planning to have a second spay/neuter day for the public, and making low-cost vaccines available every day.

## I. **Operational Requirements**

### 1. **Maintaining a Written Protocol of Procedures**

Contractor shall maintain at all times an approved written protocol detailing all procedures, including, but not limited to animal handling, vaccination, anesthesia surgery guidelines, and drug inventory. This protocol must be available for review and approval by the Department at the inception of this Agreement and at all times during its term. The Contractor shall post this protocol in a public area at all times.

### 2. **Days and Hours of Operation**

Contractor shall provide spay and neuter services a minimum of five days per week. All hours and days of operation, including additional holidays, shall be subject to mutual agreement between Contractor and Department, to be coordinated with the Care Center, and shall be prominently posted, clearly visible to the public. Contractor may not change hours and days of operation without prior written approval from the Department; such changes must be announced to the public no less than seven (7) calendar days before they become effective.

Contractor must notify Department via the Director of Shelter Operations of planned closures no less than 14 calendar days before the closure, and must post notice of said closure for public view. In the event that the Contractor's veterinarian will be absent, Contractor may retain the temporary services of an alternate licensed veterinarian to perform surgeries in the absence of the Contractor's veterinarian, subject to Department disapproval. The Department reserves the right to have its own veterinary staff or other



veterinarian perform said surgeries if the Contractor's veterinarian is absent.

The clinic will close for:

New Year's Day (January 1<sup>st</sup>) Easter Sunday Memorial Day (last Monday in May) Independence Day (July 4<sup>th</sup>) Labor Day (first Monday in September) Thanksgiving Day Christmas (December 24<sup>th</sup> & 25<sup>th</sup>) and New Year's Eve (December 31).

The Contractor may close once a quarter for all-staff meetings and shall notify the Department six months in advance.

### **3. Equipment and Supplies**

Contractor shall obtain, at its own expense, all equipment and supplies to be used in the operation of the Clinic, including all medical supplies, medicines, cleaning agents, microchips, tools, anesthesia machines, autoclaves, and any other necessary tools, instruments, supplies, and equipment. Contractor shall maintain in good working order, at its own expense, all equipment used in the operation of the Clinic, and shall ensure that repairs or replacement of equipment does not unreasonably interrupt its services.

Alterations and improvements, capital improvements, and maintenance issues shall be coordinated with Animal Services' Director of Shelter Operations, and subject to the approval of the Department of General Services' Director of Real Estate Services, (213) 922-8501.

### **4. Equipment Purchase Option**

At the end of the term of this Agreement, and upon mutual agreement, Department may purchase from the Contractor, at a mutually-agreed depreciated price consistent with equipment of comparable age and use, Contractor's equipment used in the operation of the Clinic. However, the Department shall be under no obligation to make such purchases.

### **5. Cost of Supplies, Services, and Personnel**

The cost of setting up, staffing, maintaining, and performing services under this Agreement shall be the Contractor's sole responsibility.

### **6. Licenses and Permits**

Contractor shall obtain at its own expense, the following licenses and permits:

- A current Veterinary Premise License for the Clinic, naming the Contractor's veterinarian as the Managing Licensee, as required by the California Veterinary Medical Board.
- A current Veterinarian License for the Contractor's veterinarian(s), as required by the California Veterinary Medical Board.
- A Controlled Substance Registration Certificate, as required by the U.S. Department of Justice, Drug Enforcement Administration (DEA).
- All other necessary permits to operate the Clinic, including current licenses from the Board of Consumer Affairs, and any other regulatory agencies requiring licensure.

All licenses requiring display will be displayed in a designated area as prescribed by law. Copies shall be provided to the Department. Contractor shall maintain all licenses and permits current throughout the term of this Agreement, and shall not begin services under this Agreement until such licenses and permits are obtained.

#### **7. Hazardous Waste Disposal**

As used in this Agreement, the term "hazardous waste" shall mean hypodermic needles. The Contractor will be solely responsible for disposal of hazardous waste, at its own cost. Animal Services can provide the Contractor with the name of the vendor currently removing sharps for the Department.

#### **J. Fees and Payments**

##### **1. Fees for Spay/Neuter Surgeries (for Care Center animals and animals adopted from the Care Centers) Set by Board**

Fees for spay/neuter surgeries paid by the Department are set by the Board; if the Board revises said fees, the Department shall pay the Contractor the revised fees effective on the date of the Board's approval, or as otherwise effected by the Board.

##### **2. Definitions**

- "Neuter" shall mean "surgical castration." "Spay" shall mean "ovariohysterectomy."
- "Sterilization" and "surgery" refer to the surgical spaying or neutering of an animal. All sterilizations shall include: (a) a physical examination of the animal, (b) all vaccines and anesthesia that your hospital requires during hospitalization or before surgery, (c) all after-care including suture removal, licking problems, infections, and other normal procedures.
- "Voucher" can be a **\$30 Discount Coupon** or a **\$70 Free Certificate** for Spay/Neuter issued to a Los Angeles resident by the Department for the sterilization of an owned dog or a cat.
- "**Authority for Expenditure (AFE)**" is issued by the Department for specific service on a shelter animal.

##### **3. Surgery Discount to Department**

The Contractor proposes to compensate the City at a rate of 5% of adjusted gross monthly income (gross income excluding voucher income) paid each month to the City or the duration of the contract (as compensation paid in lieu of rent and utilities for use of the West LA Animal Care Center's Spay/Neuter clinic). Value Vet, Inc. projects gross revenue of \$2.6 million over the three-year term of the proposed contract.

Services will also include free antibiotic injection, E-Collar and wellness exam for adopted animals, and also, general and specialty surgical procedures, discounted vaccines, medications, flea control, shelter sterilizations and low-cost spay/neuter services.

#### **4. Spay/Neuter \$30 discount coupons/\$70 free certificates**

- a. Animal owners will transport their owned animal to the Contractor along with a voucher and pick up the animal from Contractor after service is completed.
- b. Coupons/Certificates are non-transferable, are not valid beyond the expiration date printed on them, and must be presented to Contractor at the time of sterilization. Coupon/Certificate may only be used for owned cats and owned dogs, and are not valid for the sterilization of feral cats. Either a discount coupon or free certificate, but not both, may be used per animal per sterilization. Coupon/Certificate cannot be used for any veterinary service other than sterilization, nor in combination with any other program.
- c. Contractor may charge a co-payment from an animal owner with a \$30 Discount Coupon. No co-payment or additional fees may be charged to an animal owner with a \$70 free certificate for sterilization including, but not limited to, uterine infection, pregnant or "in estrus" animals, animals with retained testicles, or animals weighing more than 50 pounds.
- d. Value Vet will accept \$30 discount coupons/\$70 free certificates as full payment for surgery. In addition to the sterilization surgeries, Value Vet will administer core vaccinations (rabies and DA2PP or FVRCP), provide an E-collar and pain medication as part of the discount coupon/free certificate package. Ancillary services, such as flea and/or ear mite treatment, microchips, and antibiotics (prescribed on an as-needed basis) may be provided to clients at cost.

#### **5. Authority for Expenditure (AFE) (for Shelter Animals)**

- a. Department staff will transport the animal, or in cases of deferred sterilization approved by Department veterinary staff, the animal owner will transport the animal, along with an Authority for Expenditure (AFE).
- b. No additional fees or co-payments may be charged for the sterilization of shelter animals, including physical examination, routine hospitalization, vaccines, and after-care services such as suture removal, licking problems, infections, and other normal procedures. For owned animals that are obese, geriatric, pregnant, or exhibit uterine infections, in estrus, with retained testicles(s), or hernias, the Contractor shall obtain prior authorization from the adoptive owner before treatment, as part of its standard consent form.
- c. If the Department does not authorize the additional treatment and the Contractor is unable to perform the sterilization of any shelter animal, Department staff will retrieve the animal. Contractor shall absorb all costs of treatment provided without prior approval from the Department.
- d. For animals that have been adopted and are being sent to Contractor from the Department for surgery, but who are deemed by Contractor's veterinarian to be unsuitable for sterilization that day, Contractor shall contact the adopter to explain that the animal is unfit for surgery and to explain why surgery cannot be completed on that day. The Contractor will ask the adopter if they would like to pick up the animal and bring it home, or if they no longer want the animal. If the adopter agrees to pick up the animal, the Contractor shall inform the Department's medical staff and the shelter, who will issue a D-300 surgery deferral as described in Section 6(c) below. If the adopter advises the Contractor that he or she no longer wants the animal, he or she shall be instructed to go to the shelter to process the return, and Contractor

shall return the animal to the shelter. The Department shall not reimburse the adopter or Contractor for veterinary fees not authorized by the Department in writing.

e. For adoption events, animals will be brought in for sterilization with an AFE by Department staff and picked up on the same day of the surgery in accordance with the arrangement made between Contractor and Shelter. Contractor will notify the Shelter where the animal came from if an animal is unfit for surgery and the Department will retrieve the animal from the Contractor.

## **6. Contractor Responsibilities**

a. Contractor shall follow the mandates of the California Veterinary Medicine Practice Act.

b. Contractor shall report to the Department all deaths of shelter animals that occur under the care and control of the Contractor within five business days by submitting a completed report.

c. Surgery can be deferred and Contractor shall re-schedule the sterilization, or reject the animal for sterilization if deemed unfit or unhealthy by Contractor. For adopted animals being delivered to the Contractor for sterilization surgery, if surgery is deferred, the Contractor shall bring the animal to the shelter for medical staff to issue a medical deferment ("D300"). The Contractor cannot release the animal to the adopter.

d. Contractor shall make reasonable efforts to ensure that the person named on the Coupon/Certificate or AFE is the same person requesting the services, and that the Coupon/Certificate or AFE has not been transferred.

e. Contractor has a duty to check, within reason, that no more than three Coupon/Certificates or AFEs have been issued for more than three cats or three dogs to any one person or address, and notify the Department of any irregularities.

f. Contractor shall make reasonable efforts to report any abuse, fraud or suspected abuse or fraud by pet owners.

## **7. Billing and Record Keeping**

a. Upon completion of sterilization, Contractor shall bill the Department for services rendered by using the Department's online "Vet Portal" system available at [anivet.lacity.org](http://anivet.lacity.org). Instructions for the Vet Portal can be located on the website under the "Help" Tab.

b. To ensure timely payment, the Contractor must follow the procedures below:

i. Enter the \$30 discount coupon/\$70 free certificate and/or Authority For Expenditures (AFE) into the Vet Portal. The processing of these invoices into the Vet Portal must be completed and submitted online by the 10<sup>th</sup> of each month. This is to ensure payment for the previous month's surgeries.

ii. Submit the original invoices to the Department by the 10<sup>th</sup> of each month

iii. Place the \$30 discount coupon/\$70 free certificate and/or AFEs (\$60, \$68, \$65, \$110, \$118) in numerical order by the S/N Voucher number, e.g., F11-0000.

iv. Place the Discount Coupon/Free Certificate (\$30, \$70) in numerical order by the S/N Voucher number, e.g., F11-0000.

v. Maintain photocopies of the original documents in the event an original document cannot be located.

Note: Do not use the Department's prepaid envelopes to submit invoices. Payment will be delayed by using these envelopes inasmuch as these are for a different program.

b. The required sections of the Voucher and/or AFE shall be completed by Contractor and mailed to: Attn: Accounting Section, Department of Animal Services, 221 North Figueroa Street Room 500, Los Angeles CA 90012. The \$30 discount coupon/\$70 free certificate or AFEs submitted without surgery date, veterinarian's name and address and signature will be returned for completion.

c. Billing must be submitted within 60 days after sterilization services or they will not be honored by the Department. Billings received after the 10<sup>th</sup> of each month will be processed the following month.

d. The \$30 discount coupon/\$70 free certificate and/or AFEs have no face value until the Contractor completes the work, certifies by signature that the work is completed, and requests payment in the manner prescribed by the Department.

e. Original \$30 discount coupon/\$70 free certificate and/or AFEs for surgeries performed by Contractor shall be mailed to the Department of Animal Services. A photocopy of the \$30 discount coupon/\$70 free certificate and/or AFEs shall be retained on file at Contractor's facility for a minimum of three (3) years. Signed, completed \$30 discount coupon/\$70 free certificate and/or AFEs shall serve as proof of each service performed and billed to Department.

f. All payments are subject to the review and approval of Contractor's full documentation and work performance by the Department.

g. Department will make all reasonable efforts to pay Contractor each month for services rendered in the previous month as long as original invoices and supporting documentation are received on time as indicated herein.

#### **SPAY/NEUTER PROGRAMS: DISCOUNT COUPONS, FREE CERTIFICATES AND AUTHORITY FOR EXPENDITURES**

Contractor shall participate in all Department Spay and Neuter Programs of spaying and neutering dogs and cats eight weeks of age or older or two (2) lbs or heavier, by accepting Department discount coupons and free certificates or Authority For Expenditure to perform spay and neuter surgeries on dogs and cats brought in by residents. The Department will reimburse the Contractor the face value of said coupons, certificates, and Authority For Expenditures as indicated above.

The Pre-Release S/N Program is for dogs and cats adopted from the Department and transported by the Department staff to the Contractor for surgery along with the AFE and are picked up from the Contractor by the owner at the designated time set forth by the Contractor. Surgery arrangements are made between Contractor and Shelter based upon number of animals available for sterilization and hours of drop-off to the Contractor's facility.

The Post-Release S/N Program is for dogs and cats adopted from the Department that cannot be sent directly for sterilization. The animals are brought to the Contractor by the owner for surgery. The AFE is surrendered by the owner to the Contractor at the time of surgery.

**The Pre-Adoption S/N Program** is for animals that are being sterilized for special events.

The animals are brought to the Contractor by Department staff along with the AFE and picked up on the same or following day after the surgery in accordance with the arrangement made between Contractor and Shelter. Surgery arrangements are made between Contractor and Shelter based upon number of animals available for sterilization and hours of drop-off to the Contractor's facility.

**The Rabbit S/N Program** is for rabbits that are adopted from the Department and brought to the Contractor by Department staff along with the AFE and picked up by the owner at the designated time set forth by the Contractor. Surgery arrangements are made between Contractor and Shelter based upon number of animals available for sterilization and hours of drop-off to the Contractor's facility.

**The Discount Coupon S/N Program** is for owned dogs and cats and has a value of \$30. Discount Coupons may be used to cover full or partial cost of sterilization off the Contractor's regular cost of sterilization. **The Discount Coupon is for pet owners only—feral cats do not qualify for the programs.**

**The Free Certificate S/N Program** is for owned dogs and cats and has a value of \$70. The Free Certificate covers the full cost of sterilization. There shall be no co-payment or additional fees for sterilization, uterine infections, pregnant and in-estrus animals, animals with retained testicle(s), or animals weighing more than 50 pounds. **The Free Certificate is for pet owners only—feral cats do not qualify for this program**

#### **K. Code of Ethics**

The Contractor shall abide by the following Code of Ethics in providing services under this Agreement.

1. **General:** The Contractor shall perform services in an ethical and lawful manner. The Contractor shall not utilize medical or surgical techniques that are not approved by the American Veterinary Medical Association (AVMA) nor perform any services that the City has not authorized.
2. **Communication Guidelines:** Communication with the public shall be conducted in a positive, courteous manner.
3. **Harassment or Abuse:** The Contractor's personnel shall not engage in any conduct which would harass, oppress, or abuse any animal owner, Department staff member, or volunteer in connection with the services provided.
4. **False or Misleading Representations:** The Contractor's personnel shall not use any false, deceptive, or misleading representation with regards to the services provided.
5. **Treatment of the Public:** Contractor's personnel shall at all times treat the public with the utmost courtesy.

#### **L. Quality Control**

##### **1. Contractor Employee Acceptability**

The Contractor shall, upon reasonable request of the Department, immediately remove and replace any of its employees who violate the terms and conditions of this Agreement.

## **2. Quality Assurance**

The Contractor shall establish and maintain quality standards to assure it and the Department that the requirements of this Agreement are met. Quality standards to track may include but are not limited to: number of public and shelter sterilizations performed by animal, by type of sterilization and by size of animal; the number of \$70 free certificates/\$30 discount surgeries; number of animal deaths; number and type of other services performed; number of emergencies by animal by type of emergency; and, number of animals sent to private veterinarians for emergencies.

Contract information shall be provided monthly to the Department for review.

The Department will evaluate the Contractor's performance using such procedures as may be necessary to ascertain Contractor compliance with this Agreement including, but not limited to on-site inspections, photographing interior of the Clinic, and written reports by Department veterinary or contract administration staff; qualified outside inspectors may also be used. The Contractor shall be required to immediately correct all deficiencies found by the Department. Site visits should be made with reasonable advance notice, if appropriate. The Department reserves the right to make unannounced visits if circumstances warrant this.

## **3. Performance Evaluation**

The Contractor shall meet with the Department Contract Administrator quarterly, or as otherwise agreed, to discuss the Contractor's operations and assess the Contractor's capacity to provide the required services for the Department, to discuss the services provided, and other matters of mutual interest.

## **4. Adequate Stock**

Contractor shall maintain an adequate stock of all supplies and materials required for the performance of services, such as drugs, medical supplies, general office maintenance supplies, and clerical supplies, so that services are not unreasonably impacted by a lack of supplies.

## **5. Reporting Requirements**

The Contractor shall provide to the Department monthly reports by the 10th day after the end of the month that summarizes the services provided by the Contractor. The information should include but not be limited to, the number of surgeries performed daily on dogs, cats, and rabbits, including the following:

- a. Selected for adoption by a member of the public prior to spay or neuter procedure.
- b. The number of surgical complications (including unexpected or unintended animal deaths) reported each month and how each case was resolved.

Reports are to be submitted along with the monthly invoices.

## **6. Reporting of Animal Deaths**

The Contractor shall report to the Department all deaths of animals under the care and control of the Contractor, within five business days of the death.

## **7. Termination**

Either the City or the Contractor may terminate this Agreement prior to its expiration, for any reason or no reason, at any time by providing the other party with one-hundred eighty (180) days written notice thereof.

## **8. Insurance – Notice of Cancellation**

All required insurance will be maintained in full force for the duration of Contractor's business with the City. Contractor shall provide at least thirty (30) days' prior written notice directly to the City if it anticipates or receives notice that any required insurance policy will be cancelled or materially reduced, for any reason except impairment of an aggregate limit due to prior claims.

## **Section VIII. Incorporation of Exhibits**

The following Exhibits are hereby incorporated into and made a part of this Agreement, collectively as Exhibit E:

The Contractor shall comply with the City's contracting requirements. These include:

- Affirmative Action
- Equal Benefits Ordinance
- First Source Hiring
- Non-discrimination/EEO
- Slavery Disclosure

After award of the Agreement, and prior to execution, the Contractor shall complete and submit the following (forms to be provided to the selected Contractor):

- Living Wage documents
- Contractor Responsibility Ordinance
- City Ethics Commission Forms 50, 55, 56
- Iran Contracting Act Form
- Child Support, ADA, Non-Collusion Compliance Forms

The following must be submitted to the Department before contract execution:

- Copy of Los Angeles Business Tax Registration Certificate (BTRC)
- Form W-9
- Proof of Insurance, subject to City approval

## **Section IX. Order of Precedence**

In the event of any inconsistency between the provisions of this Agreement and/or the Exhibits, the inconsistency shall be resolved by giving precedence in the following order:

- This Agreement
- License to Use the Premises of Animal Spay and Neuter Clinic – Exhibit A
- City Standard Provisions for City Contracts (Rev 03/09) – Exhibit B
- RFP
- Contractor's response to the RFP

## **Section X. Entire Agreement**

This Agreement, including Exhibits A through E, constitutes the full and complete understanding between the parties. The Exhibits are as follows:

Exhibit A - License to Use the Premises of Animal Spay and Neuter Clinic



Exhibit B - City Standard Provisions for City Contracts (Rev 03/09)

Exhibit C - The attached Plan showing the Clinic location as a shaded portion of the Premises

Exhibit D - Section VIII exhibits

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

**The City of Los Angeles,  
Department of Animal Services**

By \_\_\_\_\_  
Brenda F. Barnette, General Manager

Date: \_\_\_\_\_

**The City of Los Angeles,  
Department of General Services**

By \_\_\_\_\_  
Tony M. Royster, General Manager

Date: \_\_\_\_\_

**APPROVED AS TO FORM:  
MICHAEL N. FEUER, City Attorney**

By \_\_\_\_\_  
Dov S. Lesel, Assistant City Attorney

Date \_\_\_\_\_

**ATTEST:  
HOLLY WOLCOTT, City Clerk**

By \_\_\_\_\_  
Deputy City Clerk

Date \_\_\_\_\_

**CONTRACTOR – Value Vet, Inc.**

By \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date \_\_\_\_\_

*(second signature required of corporations)*

By \_\_\_\_\_

Print Name: \_\_\_\_\_

Date \_\_\_\_\_

Los Angeles City Business Tax License Number \_\_\_\_\_

IRS Taxpayer Identification Number \_\_\_\_\_

City Agreement Number \_\_\_\_\_

## Required Insurance and Minimum Limits

Name: Value Vet, Inc.

Date: 11/25/2014

Agreement/Reference: To Provide Spay/Neuter and Related Veterinary Services

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

**Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)**

	WC	<u>Statutory</u>
	EL	<u>\$1,000,000</u>

Waiver of Subrogation in favor of City
  Longshore & Harbor Workers  
 Jones Act

**General Liability** \$1,000,000

Products/Completed Operations
  Sexual Misconduct  
 Fire Legal Liability

**Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

**Professional Liability** (Errors and Omissions) \$1,000,000

Discovery Period 12 Months After Completion of Work or Date of Termination

**Property Insurance** (to cover replacement cost of building - as determined by insurance company)

<input type="checkbox"/> All Risk Coverage	<input type="checkbox"/> Boiler and Machinery
<input type="checkbox"/> Flood	<input type="checkbox"/> Builder's Risk
<input type="checkbox"/> Earthquake	<input type="checkbox"/>

**Pollution Liability**

**Surety Bonds - Performance and Payment (Labor and Materials) Bonds** 100% of the contract price

**Crime Insurance**

**Other:** 1) In absence of imposed Auto Liability insurance requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of State of California.

**SUMMARY OF LICENSE TO USE THE PREMISES OF SPAY AND NEUTER CLINIC  
AT THE WEST LOS ANGELES ANIMAL CARE CENTER  
11361 WEST PICO BLVD  
Los Angeles, CA 90064**

For information purposes only - not part of License

LAND NO.:  
CF NO.: [TBD]

Council Approval Date: TBD

EBO STATUS:  
LWO STATUS:

OCC Date:  
OCC Date:

SDO STATUS: SDO Affidavit Receipt Date:

EEO STATUS: EEO/AA Certification Receipt Date: \_\_\_\_\_

NOTE: This license exceeds the EEO threshold, requiring submission of an Affirmative Action Plan.

CITY ATTORNEY  
SIGNATURE:

PREMISES West Los Angeles Spay/Neuter Clinic

ADDRESS: 11361 West Pico Blvd  
Los Angeles, CA 90064

LICENSOR: CITY OF LOS ANGELES  
City Attorney/Annette R. Bogna  
Department of General Services

Client: Department of Animal Services  
John Forland 213/482-9554

LICENSEE: Value Vet, Inc.  
11361 West Pico Blvd  
Los Angeles, CA 90064

USE: Animal Spay and Neuter Clinic providing services pursuant to a services agreement.

TERM: Pursuant to the Personal Services Agreement.

CONSIDERATION: Discounted Spay and Neuter Services to City

SECURITY: Stipulated in the Personal Services Agreement  
DEPOSIT:

FORM: GENERIC.107 (7/14/00))

# LICENSE TO USE THE PREMISES OF ANIMAL SPAY AND NEUTER CLINIC

West Los Angeles Animal Care Center  
Spay and Neuter Clinic  
11361 West Pico Blvd  
Los Angeles, CA 90064

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# LICENSE TO USE THE PREMISES OF ANIMAL SPAY AND NEUTER CLINIC

West Los Angeles Animal Care Center  
Spay and Neuter Clinic  
11361 West Pico Blvd  
Los Angeles, CA 90064

## PREAMBLE

The CITY OF LOS ANGELES ("CITY"), enters into this agreement ("LICENSE") by and through its Department of General Services ("GSD"), and with the cooperation and consent of its Department of Animal Services ("DEPARTMENT") as Licensor, for and in consideration of Value Vet, Inc. (LICENSEE's) providing the services to the community specified in Article 5.1, below, and of the keeping and performance by LICENSEE of the provisions and conditions hereof, gives permission to Value Vet, Inc to use that certain area of real property described as and/or located at 11361 West Pico Blvd, Los Angeles, CA ("PREMISES"), and specifically described as the Animal Spay and Neuter Clinic ("CLINIC"), as indicated by the shaded portion shown on the Plan attached to the PERSONAL SERVICES AGREEMENT as Exhibit C and incorporated herein by this reference, owned and under the jurisdiction of GSD and under the control and direction of DEPARTMENT for the purpose of providing services as specified in the PERSONAL SERVICES AGREEMENT. CLINIC is licensed to LICENSEE on an "as is" and non-exclusive basis, with no obligation on the part of GSD or DEPARTMENT to modify or alter the Premises.

THE FOREGOING PERMISSION is given upon and subject to the following provisions and conditions:

## ARTICLE 1. BASIC LICENSE PROVISIONS

1.1. **Capacity Of CITY As Owner.** Except where clearly and expressly provided otherwise in this License, the capacity of the City of Los Angeles in this License shall be as the property owner only, and all obligations or restrictions, if any, imposed by this License on CITY shall be limited to that capacity and shall not relate to or otherwise affect any activity of the City of Los Angeles in its governmental capacity, including, but not limited to, enacting laws, inspecting structures, reviewing and issuing permits, and all other legislative, administrative, or enforcement functions of the City of Los Angeles pursuant to federal, state, or local law. Nothing in this Section or this License shall be construed as abrogating or limiting any immunities or exemptions which the City of Los Angeles is entitled under the law.

1.2. **Execution Date.** The defined term "Execution Date" shall mean the date the Office of the City Clerk of Los Angeles attests this LICENSE.

1.3. **Title To PREMISES.** LICENSEE hereby acknowledges that title to the Premises vests with CITY, and agrees never to assail or resist the same, and further agrees that LICENSEE's use and occupancy of the Premises shall be restricted to the purposes of this License and the permission given under this License.

1.4. **No Interest In Real Property.** LICENSEE hereby acknowledges that this agreement is a license only and does not constitute a lease of or any interest in real property.

1.5. **Acknowledgment Of Taxable Interest.** No fee interest in real property is hereby conveyed; however, by executing this LICENSE and accepting the benefits thereof, a property interest may be created known as a "possessory interest" and such property interest will be subject to property taxation. LICENSEE, as the party in whom the possessory interest is vested, shall be responsible for the payment of all property taxes, if any, levied upon such interest. LICENSEE acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided. LICENSEE acknowledges that by this Article

it has been informed of the necessity of filing a claim for exemption to obtain any available exemptions from said tax, and has also been advised that exemption from taxes may not be granted, and that GSD has no control as to whether or not such exemption will be granted.

## ARTICLE 2. USE AND OPERATIONS

2.1. **Joint Use.** The right and permission of LICENSEE is subordinate to the prior and paramount right of DEPARTMENT to use said real property for the public purposes to which it now is and may, in the sole discretion of GSD, be devoted. LICENSEE undertakes and agrees to use the PREMISES and to exercise this LICENSE jointly with GSD and DEPARTMENT, and will at all times exercise this LICENSE in such manner as will not injure or interfere with the full use and enjoyment of the PREMISES by DEPARTMENT. PREMISES shall be used by LICENSEE only for those services expressly stated in the PERSONAL SERVICES AGREEMENT. Any other use shall be prohibited, except by the prior written consent of GSD and DEPARTMENT.

2.2. **Hours Of Business; Continuous Operation.** Hours of business shall be specified in the PERSONAL SERVICES AGREEMENT.

## ARTICLE 3. TERM

3.1. **Term.** The Term of this License ("Term") shall be, concurrent with the term of the PERSONAL SERVICES AGREEMENT, including any extension, unless terminated earlier pursuant to this LICENSE.

3.2. **Extensions/Renewals.** If GSD and DEPARTMENT duly execute any of the Personal Services Agreement's renewal or extension options in accordance with the terms of the PERSONAL SERVICES AGREEMENT, the TERM of this LICENSE shall remain concurrent with the duly executed renewal or extension options, unless otherwise terminated earlier by GSD pursuant to Article 14 of this LICENSE. In no event shall LICENSEE have any extension right if then in default under this LICENSE (with any applicable cure period having expired).

3.3. **Holdover.** If LICENSEE remains in possession of the PREMISES beyond the authorized TERM without GSD's and DEPARTMENT's written consent, LICENSEE shall be deemed to be a licensee at sufferance.

## ARTICLE 4. NOTICES

4.1. **Notices - Where Sent.** All notices given under this License which are mailed or telecopied shall be addressed to the respective parties as follows:

To GSD:  
City of Los Angeles  
c/o Department of General Services  
Asset Management Division  
Suite 201, City Hall South, 111 East First Street  
Los Angeles, California 90012  
Telecopier:

with a courtesy copy of any notice to:  
Office of the City Attorney  
Real Property/Environment Division  
700 City Hall East  
200 North Main Street  
Los Angeles, California 90012  
Telecopier:

To DEPARTMENT:  
City of Los Angeles  
c/o Department of Animal Services  
221 North Figueroa Street, Suite 500  
Los Angeles, California 90012  
Telecopier: 213/482-9511

To LICENSEE:  
Value Vet, Inc.  
11361 West Pico Blvd  
Los Angeles, CA 90064

## ARTICLE 5. CONSIDERATION



5.1. **Consideration.** In consideration of this LICENSE, LICENSEE hereby agrees to provide those services at the CLINIC and abide by the terms of the PERSONAL SERVICES AGREEMENT. LICENSEE and DEPARTMENT agree that this LICENSE will terminate immediately upon the termination of said PERSONAL SERVICES AGREEMENT for any purpose whatsoever.

## ARTICLE 6. MAINTENANCE AND REPAIR

6.1. **Maintenance and Security.** GSD shall maintain in good order, condition, and repair the Premises and every part thereof, including, but not limited to: windows and plate glass windows; interior and exterior walls; floors and ceilings; interior and exterior doors; fixtures; appliances; electrical facilities and equipment; plumbing fixtures and plumbing; and restrooms. GSD agrees to maintain and repair, at GSD's sole cost and expense, all of GSD's Improvements on the PREMISES. LICENSEE may not change the locks without the prior written consent of GSD, which consent shall be given by GSD in its sole and absolute discretion and which consent shall require that GSD and DEPARTMENT be provided with a complete set of all new keys.

6.2. **Janitorial.** LICENSEE shall be responsible for providing and paying for its own janitorial/cleaning/housekeeping services. LICENSEE shall keep clean the Premises and every part thereof, including, but not limited to, windows, interior walls, floors and ceilings, doors, fixtures, appliances, plate glass windows and restrooms. LICENSEE shall promptly remove non-hazardous trash and waste generated from its operations, to an appropriate trash dumpster as designated by the DEPARTMENT.

6.3. **No Repair Obligation By GSD.** Notwithstanding GSD's obligation to maintain the Premises in good working order as stipulated in Article 6.1, GSD shall have no further obligation to repair, remodel, replace, and/or reconstruct any improvement on the PREMISES. In the event the PREMISES becomes unusable for the purposes provided herein, GSD, DEPARTMENT, and LICENSEE shall meet and discuss necessary repairs or remodeling to restore Premises to a usable condition. If no agreement can be reached, however, LICENSEE's sole remedies shall be to either correct the deficiencies at its own expense or to terminate this License upon thirty (30) days prior written notice to GSD, and LICENSEE waives any other remedy, whether in damages or in specific performance.

6.4. **Rights Reserved By GSD.** Without limiting any rights GSD may otherwise have under this License, GSD specifically reserves the right from time to time, subject to its use of reasonable efforts to minimize interference with LICENSEE's use and occupancy of the Premises and without compensation to LICENSEE for inconvenience or otherwise:

- (a) To install, use, maintain, repair, replace and relocate pipes, ducts, conduits, wires, fixtures and appurtenant meters and equipment for service to the Premises and/or other parts of the Building, in which case GSD shall have responsibility for the disturbance, if any, of asbestos resulting therefrom; and
- (b) To make changes to the Premises design and layout, including without limitation, changes in the location, size, shape and number of entrances, loading and unloading areas, ingress, egress, direction of traffic, walkways, and parking areas.

## ARTICLE 7. UTILITIES

7.1. **Electricity, Gas, Water And Telecommunications.** Electricity, natural gas and hot and cold water shall be furnished to LICENSEE by GSD at no cost to LICENSEE, except that GSD reserves the right to install utility sub-meters, at which time LICENSEE shall pay for any usage at the rates charged by the local public utilities. LICENSEE shall be responsible for arranging for the provision of any telecommunications services to the Premises, including, without limitation, telephone, Internet, and cable service. Charges for all telecommunications supplied to the Premises shall be paid by LICENSEE.

7.2. **Air Systems.** GSD shall provide, operate, repair and maintain a heating, cooling, and control system ("HVAC") serving the Premises.

## ARTICLE 8. COMPLIANCE WITH ALL LAWS AND REGULATIONS

8.1. **Compliance With Statutes And Regulations**. LICENSEE warrants and certifies that in the performance of this License, it shall comply with all applicable statutes, rules, regulations and orders of the United States, the State of California, and the County and the City of Los Angeles, including laws and regulations pertaining to building, labor, wages, hours, and other conditions of employment. LICENSEE must comply with all new or revised laws, regulations and/or procedures that apply to the performance of this License.

8.2. **Americans With Disabilities Act**. LICENSEE shall construct all improvements and operate upon the Premises in a manner which is in compliance with the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.) and any and all other applicable federal, state, and local laws regarding accessibility for persons with disabilities (collectively "the ADA").

8.3. **Hazardous Materials**. As used in this License the defined term "Hazardous Materials" shall mean any hazardous or toxic substances, biohazards, medical wastes, or other materials or wastes that are or become regulated by the United States, the State of California, or any local government authority having jurisdiction over the Premises. Without limiting any of the obligations described above, LICENSEE shall not use or permit the Premises or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials without GSD's prior written consent, which may be denied at GSD's sole discretion, and then, in any of the foregoing cases, only in compliance with all laws and regulations with respect to Hazardous Materials (the "Environmental Regulations") (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. § 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-To-Know Act, as amended (together, with the regulations promulgated thereunder, "Title III") (42 U.S.C. § 11011, et seq.) and any so-called "Superfund" or "Superlien" law), nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any sublicensee, the storage, transportation, disposal or use of Hazardous Materials or the release or threat of release of Hazardous Materials on, from or beneath the Premises or onto any other property. Upon the occurrence of any such release or threat of release of Hazardous Materials, LICENSEE shall promptly notify GSD and DEPARTMENT, and thereafter commence and perform, without cost to GSD, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath the Premises or other property, in strict compliance with all Environmental Regulations. Nothing in this License shall prohibit LICENSEE from the transportation to and from, and the use, storage, maintenance, and handling within, the Premises of substances customarily used in connection with the services provided under the Personal Services Agreement, provided: 1) such substances shall be used and maintained only in such quantities as are reasonably necessary for the permitted use of the Premises set forth in Article 2.1 of this License, strictly in accordance with applicable laws and the manufacturers' instructions therefor; 2) such substances shall not be disposed of, released, or discharged at the Premises, and shall be transported to and from the Premises in compliance with all applicable laws, and as GSD shall reasonably require; 3) if any applicable law or GSD's trash removal contractor requires that any such substances be disposed of separately from ordinary trash, LICENSEE shall make arrangements for such disposal directly with a qualified and licensed disposal company at a lawful disposal site and shall ensure that disposal occurs frequently enough to prevent unnecessary storage of such substances in the Premises; and 4) any remaining such substances shall be completely, properly, and lawfully removed from the Premises upon expiration or earlier termination of this License.

8.4. **Hazardous Materials Notification**. California Health and Safety Code section 25359.7(a) requires any owner of nonresidential real property who knows, or has reasonable cause to believe, that any release of Hazardous Material has come to be located on or beneath that real property, prior to the lease or rental of that real property or when the presence of such release is actually known, to give written notice of that condition to the lessee or renter. California Health and Safety Code Section 25359.7(b) requires any licensee of real property who knows, or has reasonable cause to believe, that any release of Hazardous Material has come to be located on or beneath that real property to give written notice of such condition to

the owners. GSD and LICENSEE shall comply with the requirements of Section 25359.7 and any successor statute thereto and with all other statutes, laws, ordinances, rules, regulations and orders of governmental authorities with respect to Hazardous Materials.

8.5 **Safety Deficiencies and/or Violations**. LICENSEE shall correct safety deficiencies and violations of safety practices immediately, or notify DEPARTMENT of said safety deficiencies and/or violations.

## ARTICLE 9. RENOVATIONS AND ALTERATIONS

9.1. **Renovations And Alterations**. Any renovation or alteration which is made to the Premises or the Building by LICENSEE shall be at its own cost and expense and the construction shall in accordance with plans and specifications approved prior to such renovation or alteration by GSD and DEPARTMENT. GSD may deny permission for any renovation or alteration without stating any cause, unless such renovation or alteration is required by a governmental authority having jurisdiction therefore, in which case permission shall not be unreasonably withheld. All renovations, alterations and improvements of any kind, excepting LICENSEE's personal property and trade fixtures, shall immediately become part of the Premises and shall be owned by GSD. If a renovation or alteration to the PREMISES or the PREMISES building is required to ensure that LICENSEE's operations are compliant with federal, state, or local laws or regulations, GSD and DEPARTMENT shall, in good faith, negotiate with LICENSEE to determine a mutually-acceptable and mutually feasible course of action.

9.2. **"As Built" Drawings**. LICENSEE shall submit to GSD and DEPARTMENT reproducible "as built" drawings of all improvements approved pursuant to this LICENSE and constructed on the Premises.

9.3. **Removal Of Personal Property**. Trade fixtures, equipment, furnishings and other personal property installed or placed on the Premises at the cost of LICENSEE shall be property of LICENSEE unless otherwise specified in this License or in the Personal Services Agreement. If, within seven (7) days of the termination of this License, LICENSEE fails to remove any of such property, DEPARTMENT may, at DEPARTMENT's option, retain all or any of such property, and title thereto shall thereupon vest in DEPARTMENT; or DEPARTMENT may remove from the Premises and dispose of in any manner all or any of such property without any responsibility to LICENSEE for damage or destruction to said property. In the latter event, LICENSEE shall pay to GSD upon demand the actual expense of such removal and disposition and the cost of repair of any and all damages to the Premises resulting from or caused by such removal.

9.4. **Claims/Nonresponsibility And Work Commencement Notices**. Nothing contained in this License shall constitute any consent or request by GSD, express or implied, for the performance of any labor or services or the furnishing of any materials or other property with respect to the Premises and/or any or all improvements thereon or any part thereof, or as giving LICENSEE any right, power, or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against CITY. GSD shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which GSD shall deem proper for the protection of CITY and the Premises, and any other party having an interest therein, from mechanics' and materialmen's liens, and LICENSEE shall give to GSD at least ten (10) business days prior written notice of the expected date of commencement of and work relating to alterations or additions to the PREMISES.

## ARTICLE 10. INSURANCE AND INDEMNIFICATION

10.1. **Insurance**. LICENSEE, at LICENSEE's own cost and expense, shall, prior to any possession or other use of the Premises, secure from an insurance company or companies licensed in the State of California and maintain during the entire Term and any extension or holdover of this License, the insurance coverage for the Premises not less than the amounts and types listed on Form Gen 146/IR attached as Exhibit C hereto, and as follows:

10.1.1. **General Liability Insurance**. LICENSEE shall provide and maintain general liability insurance in an amount not less than One Million Dollars (\$1,000,000) Combined Single Limit per

occurrence with no general aggregate. Evidence of such insurance shall be on an Insurance Industry General Liability Certificate (such as an ACORD certificate) and should provide coverage for premises and operations, contractual, personal injury, independent contractors, products/completed operations and fire legal liability. Proof of current insurance must be submitted to CITY prior to LICENSEE's possession of the Premises, and upon written request of the CITY. The City of Los Angeles, its boards, officers, agents and employees, shall be named as additional insureds on an Additional Insured Endorsement to all General Liability insurance required herein. LICENSEE shall furnish CITY with evidence of insurance showing the extent of such insurance. Should a casualty occur, the proceeds of the policy or policies of fire and extended coverage insurance shall be used to restore the Premises and the fixtures and inventory providing that the Clinic remains open to public use or will be opened to public use. Such policy or policies of insurance shall include the City of Los Angeles as Loss Payee as its interests may appear.

10.1.2. **Improvements or Alterations Insurance.** Before any improvements, alterations, or construction work of any kind are performed by LICENSEE, LICENSEE shall obtain and maintain, at LICENSEE's expense, liability and worker's compensation insurance adequate to fully protect CITY as well as LICENSEE from and against any and all liability for death of or injury to any person or for loss or damage to property caused in or about or by reason of LICENSEE's construction. In addition, LICENSEE shall carry "Builder's All Risk" insurance in an amount reasonably approved by CITY covering the construction of such Alterations.

10.1.3. **Workers' Compensation and Employer's Liability.** LICENSEE shall provide and maintain Worker's Compensation coverage in the amount required by statute and Employer's Liability coverage in an amount not less than One Million Dollars (\$1,000,000) per occurrence. Evidence of such insurance shall be on an Insurance Industry General Liability Certificate (such as an ACORD certificate).

10.1.4. **LICENSEE's Property.** CITY will not insure LICENSEE's equipment, stored goods, other personal property, fixtures, or licensee improvements, nor such personal property owned by LICENSEE's sublicensees or assignees, if any, or invitees. CITY shall not be required to repair any injury or damage to any personal property or trade fixtures installed in the Premises by LICENSEE caused by fire or other casualty, or to replace any such personal property or trade fixtures. LICENSEE may, at LICENSEE's sole option and expense, obtain physical damage insurance covering LICENSEE's equipment, stored goods, other personal property, fixtures or licensee improvements or obtain business interruption insurance.

10.1.5. **Notice Of Reduction In Insurance.** All insurance policies required under this License shall expressly provide that such insurance shall not be canceled or materially reduced in coverage or limits except after thirty (30) days written notice by receipted delivery has been given to City Administrative Officer, Risk Management, City Hall East, Room 1240, 200 North Main Street, Los Angeles, California 90012.

10.1.6. **Default.** If insurance is canceled, lapsed, or reduced below minimums required in this Article, CITY may consider this License to be in default and may terminate it. Termination shall occur at the expiration of a three (3) day notice given in accordance with the provisions of the Code of Civil Procedure section 1162. At the termination of three (3) days or sooner, the LICENSEE shall vacate the Premises and the LICENSEE shall have no right to possess or control the Premises or the operations conducted therein. If the LICENSEE does not vacate, CITY may utilize any and all court proceedings to obtain a right to possession.

10.1.7. **Adjustment Of Insurance Levels.** CITY may, from time to time during the Term or any extension or holdover of this License, applying generally accepted risk management principles, change the amounts and types of insurance required hereunder upon giving LICENSEE ninety (90) days prior written notice.

10.2. **Waiver Of Subrogation.** Each party hereto agrees to waive its rights of recovery against the other for any physical damage it may sustain to the extent that such damage is covered by valid and

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collectible property insurance. Each party will notify its respective insurers of such agreement. Further, each party agrees to waive in advance its insurer's rights of subrogation to the extent that its insurance policies so permit.

10.3. **Indemnification.** Except for the active negligence or willful misconduct of CITY, LICENSEE undertakes and agrees to defend, indemnify, and hold harmless CITY and any and all of CITY's boards, commissions, officers, agents, employees, assigns, and successors in interest and at the option of the CITY, defend by counsel satisfactory to the CITY, from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorneys' fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including LICENSEE's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the acts, errors, omissions, or willful misconduct on the part of LICENSEE, sublicensees, assignees, contractors, subcontractors or invitees of LICENSEE, arising out of or relating to: (1) the use of the Braude Retail Mall and its facilities, (2) any repairs or alterations which LICENSEE may make upon the Premises, or (3) this Lese. LICENSEE's obligation to indemnify CITY and save CITY harmless shall include the retention and payment of reasonable legal counsel and investigative services and the payment of all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made in or has been made. LICENSEE's obligation to indemnify CITY and save CITY harmless shall include the retention and payment of reasonable legal counsel and investigative services and the payment of all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made in or has been made.

#### ARTICLE 11. SECURITY DEPOSIT

11.1. **Security Deposit.** LICENSEE shall maintain on deposit with GSD throughout the Term of this LICENSE a deposit in cash as security for the performance of LICENSEE's obligations under this License ("Security Deposit"). Initially, the amount of the Security Deposit shall be Three Thousand Dollars (\$3,000). CITY shall hold the Security Deposit, and GSD and DEPARTMENT shall have the right at any time to apply part or all of the Security Deposit to repair damages to the Premises resulting from LICENSEE's occupancy, to clean the Premises upon termination of this License, and any expense, loss, or damage that GSD may suffer because of LICENSEE's default under this License. LICENSEE shall be obligated to maintain the Security Deposit at its full amount, and GSD, upon sixty (60) days prior written notice, may require LICENSEE to deposit an additional amount where events reasonably require an increase in the amount of the Security Deposit. Upon termination of this License, GSD may utilize all or part of the Security Deposit to restore the Premises to its original condition, less normal wear and tear. Neither the Security Deposit nor its application by GSD shall be a bar or defense to any action in unlawful detainer or to any action which CITY may at any time commence for a breach of any of the covenants or conditions of this License. CITY's obligation with respect to the security deposit are those of a debtor and not a trustee. CITY can maintain the security deposit separate and apart from DEPARTMENT's general funds or can commingle the security deposit with DEPARTMENT's general fund or other funds. DEPARTMENT shall not pay LICENSEE interest on the security deposit.

11.2. **Return Of Security Deposit.** GSD shall retain any portion of the Security Deposit which may properly be utilized by GSD for the purposes described in this Article and shall return the balance of the Security Deposit to LICENSEE upon termination of this License by reason of (1) damage or destruction of the Premises, or (2) default on the part of GSD, or upon the any other termination of this License, within two (2) weeks after the date GSD receives possession of the Premises (unless the Security Deposit will reasonably be used to repair damages to the Premises caused by LICENSEE or to clean the Premises, in which case the return shall be within thirty (30) days after the date GSD receives possession of the Premises.)

#### ARTICLE 12. ASSIGNMENT AND SUBLICENSING

12.1. **Assignment Prohibited.** This License and permission herein given is personal to the LICENSEE and is not assignable or transferable.

## ARTICLE 13. DAMAGE OR DESTRUCTION

13.1. **Total Destruction.** This License shall automatically terminate if the Building is totally destroyed.

13.2. **Partial Destruction Of Premises.** If the Premises and/or the Building are damaged by any casualty and, in GSD's opinion, the Premises (exclusive of any improvements made to the Premises by LICENSEE) can be restored to their pre-existing condition within sixty (60) days after the date of the damage or destruction, GSD may promptly and with due diligence repair any damage to the Premises (exclusive of any improvements to the Premises made by LICENSEE, which may be repaired by LICENSEE at LICENSEE's sole expense) and this License shall continue in full force and effect. If the Premises and/or the Building can not reasonably be expected to be restored to their pre-existing condition within sixty (60) days after the date of the damage or destruction, or if GSD shall elect not to rebuild or restore the Premises and/or Building, either party may terminate this License upon fifteen (15) days prior written notice to the other party. Nothing in this Article shall be construed to require GSD to rebuild or restore the Premises or the Building.

13.3. **Waiver.** The provisions contained in this LICENSE shall supersede any contrary laws now or hereafter in effect relating to damage or destruction, and GSD and LICENSEE hereby waive the provisions of California Civil Code sections 1932(2) [termination where greater part of thing hired perishes] and 1933(4) [automatic termination upon destruction of thing hired].

13.4. **Termination.** If either party terminates this License as permitted by this Article 13, then this License shall end effective the date specified in the termination notice.

## ARTICLE 14. DEFAULT AND TERMINATION

14.1. **Default.** In the event that LICENSEE is in default of consideration provided for herein or in default of the performance of any other of the provisions and conditions provided to be kept and performed by LICENSEE or has abandoned the Premises as defined in California Civil Code section 1951.3, DEPARTMENT and GSD may terminate and end this License forthwith and LICENSEE shall immediately quit the Premises and turn over to GSD any improvements installed by LICENSEE which will become GSD's property, unless GSD, notifies LICENSEE that all or a portion of such improvements shall be removed, in which case LICENSEE shall remove within thirty (30) days after termination all or such portion of such improvements at LICENSEE's sole expense and shall repair any damage caused or remaining after such removal.

14.2. **Default of Service Agreement (Cross-default).** In the event that LICENSEE is in default of any provision of the Personal Service Agreement between LICENSEE and the DEPARTMENT dated as of the execution date and running concurrently with this LICENSE, LICENSEE will be in default of this LICENSE and subject to all default and termination provisions as set forth in this Article 14. Termination of this License shall cause the Personal Services Agreement to be terminated immediately and concurrently, and termination of the Personal Services Agreement shall cause this License to be terminated immediately and concurrently.

14.3. **Termination — Non-Performance.** In addition to GSD's right to terminate this LICENSE for default under Article 14, should the PREMISES cease to be used for the purposes stated in Article 2.1, and the Personal Services Agreement, or although being used for such purposes, should the quality of services not meet the reasonable expectations of DEPARTMENT, or should the LICENSEE cease to operate or exist or maintain its corporate status, if any, or should the operations conducted not be in accordance with the statutes of the United States, State of California, the County of Los Angeles, or the City of Los Angeles, GSD and DEPARTMENT may terminate this License according to the provisions of the Personal Services Agreement and the Standard Provisions for City Contracts. The determination of whether the quality of services meets the reasonable expectations of DEPARTMENT is subjective in nature and the decision of DEPARTMENT is final and conclusive. Should said termination be ordered, LICENSEE will peaceably surrender the Premises and will comply with all of the requirements of this License with regard to termination and surrender of the Premises.

14.4. **Immediate Termination**. This License may be immediately terminated by GSD in the event of any failure or refusal on the part of LICENSEE to keep or perform any of the provisions or conditions of this License. Notice of termination may be given by GSD or DEPARTMENT in the manner provided in Section 4 below.

14.5. **Inability To Meet Financial Obligations**. If it is determined by DEPARTMENT in good faith that LICENSEE lacks the ability in general to demonstrate that it will be able to meet its financial obligations to DEPARTMENT in a timely manner under this License or any other agreement it has with DEPARTMENT related to the operation or maintenance of the Premises, or that it will not be able to meet its financial obligations to third parties in a timely manner, GSD or DEPARTMENT may terminate this License upon thirty (30) days notice to LICENSEE.

14.6. **Surrender of Premises**. The voluntary or other surrender of this License by LICENSEE, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of GSD, operate as an assignment to it of any or all subLicenses or subtenancies. No act or thing done by CITY or any agent or employee of CITY during the Term shall be deemed to constitute an acceptance by GSD of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by GSD. The delivery of keys to the Premises to GSD or any agent or employee of GSD shall not constitute a surrender of the Premises or effect a termination of this License, whether or not the keys are thereafter retained by GSD, and notwithstanding such delivery, LICENSEE shall be entitled to the return of such keys at any reasonable time upon request until this License shall have been properly terminated.

14.7. **Condition of Surrendered Premises**. Upon the expiration or termination of this License, LICENSEE shall peaceably surrender the Premises and all alterations and additions thereto, broom-clean, in good order, repair and condition, reasonable wear and tear excepted. All alterations and improvements of any kind shall be part of the Premises and shall remain upon the Premises upon any termination of this License, except those alterations and improvements which DEPARTMENT, in its sole and absolute discretion, shall require LICENSEE to remove upon any such termination, which alterations and improvements shall be removed by LICENSEE within thirty (30) days after termination and all damage to Premises caused by such removal shall be repaired by LICENSEE. Upon such expiration or termination, LICENSEE shall, without expense to GSD or DEPARTMENT, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, freestanding cabinet work, and other articles of personal property owned by LICENSEE or installed or placed by LICENSEE at its expense in the Premises, and such similar articles of any other persons claiming under LICENSEE, as GSD may, in its sole discretion, require to be removed, and LICENSEE shall repair at its own expense all damage to the Premises and Building resulting from such removal.

14.8. **CITY's Remedies**. If a default by LICENSEE has occurred, then CITY may at any time thereafter, with ten (10) calendar days written notice or demand and without limiting CITY in the exercise of a right or remedy which CITY may have by reason of such default:

14.8.1. **Termination Of Use**. Terminate LICENSEE's right to use of the Premises by any lawful means, in which case this License shall terminate and LICENSEE shall immediately surrender use and possession of the Premises to CITY; or

14.8.2. **Continuation Of License**. Maintain LICENSEE's right to use, in which case this License shall continue in effect whether or not LICENSEE shall have abandoned the Premises. In such event, CITY shall be entitled to enforce all of CITY's rights and remedies under this License, including the right to recover for lack of maintenance and repairs. CITY's rights shall include, but not be limited to, those rights as provided in California Civil Code section 1951.4, as amended; or

14.8.3. **Other Remedies**. Pursue any other remedy now or hereafter available to CITY under the laws or judicial decision of the State of California. CITY's rights shall include, but not be limited to, those rights as provided in California Civil Code section 1951.2, as amended.

14.9. **Cumulative Remedies/Waiver.** The specific remedies to which CITY and LICENSEE may resort under the provisions of this License are cumulative and not intended to be exclusive of any other remedies afforded by laws. The waiver of the performance of any covenant, provision, or condition of this by CITY or LICENSEE shall not be construed as a waiver of any subsequent breach of the same covenant, provision or condition.

## ARTICLE 15. MANDATORY CITY REQUIREMENTS

15.1. **Standard Provisions for City Contracts.** Incorporated by reference into this LICENSE is the "Standard Provisions for City Contracts" ("Standard Provisions"). Throughout the License Term, LICENSEE shall comply with the Standard Provisions and applicable City Ordinances, and any amendments thereto.

15.2. **Ordinance Language Governs.** In the event of a discrepancy between this License or Exhibit B and the applicable ordinance language, as amended, the language of the ordinance shall govern.

## ARTICLE 16. MISCELLANEOUS PROVISIONS

16.1. **Adult Supervision.** LICENSEE will maintain or cause to be available adult supervision adequate to supervise and control visitors to the Premises.

16.2. **Amendment Of License.** No amendment, modification, supplement or mutual termination of any provision of this License shall in any event be effective unless the same shall be in writing and signed by GSD, DEPARTMENT, and LICENSEE.

16.3. **Approval For Displays/Signage.** LICENSEE is authorized to display routine posted information (such as "Open/Closed" signs, bulletins, dog/cat posters within the CLINIC, posted hours, etc.). All posted information and signage for LICENSEE shall be at LICENSEE's sole cost and expense, and shall be subject to LICENSEE's mandatory removal should DEPARTMENT and GSD, at their sole discretion, instruct LICENSEE to do so. No permanent sign (or sign requiring physical alteration of the PREMISES building's exterior surfaces of any sort) shall be placed on the outside of the PREMISES building without first having been submitted to DEPARTMENT for review, and without GSD's prior written approval. Such signage, if approved by GSD, shall not be inconsistent with exterior signs for similar businesses on similar buildings.

16.4. **Binding Effect.** The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

16.5. **Captions, Table Of Contents, And Index.** The titles or captions of all Articles, Sections, or Paragraphs, as well as the Table of Contents and the Index contained herein, are for convenience and reference only, are not intended to define or limit the scope of any provisions of this License, and shall have no effect on the interpretation of any provision of this License.

16.6. **CITY's Right Of Entry.** At all reasonable times, GSD's or DEPARTMENT's authorized representatives may enter and inspect the Premises for purposes of ensuring compliance with the provisions of this License, to make changes and alterations, for purposes of entry to equipment access panels, or for any other reasonable lawful purpose. During the final six months of the Term of this License, GSD or DEPARTMENT may exhibit the Premises. During the final month of the Term of this License, GSD or DEPARTMENT may display thereon appropriate notices relating to leasing of the Premises in such manner as not to unreasonably interfere with LICENSEE's business.

16.7. **Conflict Of Laws And Venue.** This License shall be governed by and interpreted in accordance with the law of the State of California. Venue in any action arising out of this License will be proper only in the County of Los Angeles, State of California.

16.8. **Consent/Duty To Act Reasonably.** Except where otherwise expressly qualified and except



for matters which will have an adverse effect on the (a) structural integrity of the Building, (b) the Building Systems (Section 16.3, page 12), or (c) which could affect the exterior appearance of the Building, whereupon in each such case LICENSEE's duty is to act in good faith and in compliance with the License, any time the consent of LICENSEE or GSD is required, such consent shall not be unreasonably withheld, conditioned, or delayed. Whenever the License grants LICENSEE or GSD the right to take action, exercise discretion, establish rules and regulations or make allocations or other determinations, LICENSEE and GSD shall act reasonably and in good faith and take no action which might result in the frustration of the reasonable expectations of a sophisticated licensor and sophisticated licensee concerning the benefits to be enjoyed under the License.

16.9. **Corporate Resolution**. If LICENSEE is a corporation and the signators for LICENSEE are not two officers of the corporation as specified in California Civil Code Section 313, then prior to or contemporaneous with the execution of this License, LICENSEE shall provide to GSD a current copy of its corporate resolution depicting the names, titles and legal signatures of the officer or officers of the corporation authorized to execute legal documents, including this License, on behalf of LICENSEE. Within thirty (30) days after LICENSEE's receipt of GSD's written request, LICENSEE shall provide to GSD an updated corporate resolution depicting such names and legal signatures.

16.10. **Covenants And Agreements**. The failure of LICENSEE or GSD to insist in any instance on the strict keeping, observance or performance of any covenant or agreement contained in the License, or the exercise of any election contained in the License shall not be construed as a waiver or relinquishment for the future of such covenant or agreement, but the same shall continue and remain in full force and effect.

16.11. **Days**. Unless specified otherwise herein, all references in this License to less than ten (10) days shall mean business days; otherwise, "days" shall mean calendar days unless specifically modified herein to be "business" or "working" days. All references to "notice" shall mean written notice given in compliance with Article 4. All references, if any, to "month" or "months" shall be deemed to include the actual number of days in such actual month or months.

16.12. **Exhibits** - Incorporation In License. All exhibits referred to are attached to this License and incorporated by reference as though fully set forth in the body of the License.

16.13. **Force Majeure**. Except as otherwise provided in this License, whenever a day is established in this License on which, or a period of time, including a reasonable period of time, is designated within which, either party is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God, or other causes beyond such party's reasonable control (financial inability excepted) ("Force Majeure"); provided, however, that nothing contained in this Section 16.13 shall excuse LICENSEE from the prompt payment of any Rent or other charge required of LICENSEE hereunder. Neither party shall be liable for, and in particular LICENSEE shall not be entitled to any abatement or reduction of Rent or right to terminate by reason of, any such delays or failures or other inability to provide services or access under this License due to Force Majeure.

16.14. **No Partnership Or Joint Venture**. Nothing contained in this License shall be deemed or construed to create the relationship of principal and agent or of partnership or of joint venture or of any association between GSD and LICENSEE. Neither the method of computation of Rent nor any other provision contained in this License, nor any acts of the parties hereto, shall be deemed to create any relationship between GSD and LICENSEE other than the relationship of Lessor and LICENSEE.

16.15. **No Relocation Assistance**. LICENSEE acknowledges that it is not entitled to relocation assistance or any other benefits under the California Relocation Assistance Act (Government Code section 7260, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C.A. § 4601, et seq.), or any other provisions of law upon termination of this License. LICENSEE therefore waives any claim to such assistance or benefits.

16.16. **Parking.** LICENSEE is not guaranteed any parking spaces for their use at the Clinic. Specific parking privileges may be negotiated with the individual DEPARTMENT Animal Care Center with which the Clinic is associated. Any additional parking required by code and/or for permits for LICENSEE's business operation is LICENSEE's expense and responsibility.

16.17. **Partial Invalidity.** If any provision or condition contained in this License shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other provision and condition of this License shall be valid and enforceable to the fullest extent possible permitted by law.

16.18. **Prior Agreement/Amendments.** This License contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this License, and no prior agreement or understanding, oral or written, express or implied, pertaining to any such matter shall be effective for any purpose. This License cannot be altered, changed, modified or added to, except as approved in writing by the City Council of City of Los Angeles and signed by the General Manager of the Department of General Services and by LICENSEE, or their successors in interest. The parties acknowledge that all prior agreements, representations and negotiations are deemed superseded by the execution of this License to the extent they are not incorporated herein.

16.19. **Quiet Enjoyment.** Upon conformance by LICENSEE with the covenants, provisions, and conditions of this License, LICENSEE shall peaceably and quietly hold and enjoy the Premises for the Term of this License without hindrance or interruption by CITY, or any other person or persons lawfully or equitably claiming by, through, or under CITY, subject, nevertheless, to the provisions and conditions of this License.

16.20. **Receivership Or Bankruptcy.** In the event LICENSEE shall be adjudicated a bankrupt or become involved in any proceedings under the bankruptcy laws of the United States, or if the license created hereby, or any improvements constructed pursuant to this License, shall be transferred by operation of law, including but not limited to, enforcement of a judgment, the trustee in bankruptcy, the assignee or judgment purchaser shall be bound by all provisions of this License, including but not limited to the provision that operation of the Premises be for the purposes stated in Article 5.1.

16.21. **Severability.** If any provision of this License or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this License, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this License shall be valid and be enforced to the fullest extent permitted by law. This License shall be governed by and construed under the laws of the State of California.

16.22. **Successors In Interest.** Subject to the provisions hereof relative to assignment, this License shall be binding upon and inure to the benefit of the heirs, executors, administrators, transferees, successors and assigns of the respective parties hereto.

16.23. **Time.** Time is of the essence with respect to the performance of every provision of this License in which time or performance is a factor.

**IN WITNESS WHEREOF**, the CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department of General Services, and with the consent and cooperation of DEPARTMENT, as Licensor, and Value Vet, Inc as LICENSEE, have caused this LICENSE to be executed as of the date of the attestation by the City Clerk. If the space provided in Article 1 of this LICENSE is blank, such date shall be entered in such space, although such date shall be deemed to be the date of this LICENSE in any case.

**APPROVED AS TO FORM AND LEGALITY**

Michael N. Feuer, City Attorney

By: \_\_\_\_\_

Annette R. Bogna  
Deputy City Attorney

DATE: \_\_\_\_\_

**CITY:**

CITY OF LOS ANGELES, a municipal corporation,  
acting by and through its Department of General  
Services

By: \_\_\_\_\_

Tony Royster  
General Manager

DATE: \_\_\_\_\_

**ATTEST:**

Holly Wolcott, City Clerk

By: \_\_\_\_\_

Deputy

DATE: \_\_\_\_\_

**LICENSEE:**

Value Vet, Inc.

By: \_\_\_\_\_

Edward E. McCobb, President

Executed at \_\_\_\_\_, California

DATE: \_\_\_\_\_

*(second signature required of corporations)*

By: \_\_\_\_\_

Richard W. McCobb, CFO

Executed at \_\_\_\_\_, California

DATE: \_\_\_\_\_

CF No.: [TBD]

Approval Date: [TBD]

BOARD OF  
ANIMAL SERVICES  
COMMISSIONERS

DAVID ZAFT  
PRESIDENT

ALANA YANEZ  
VICE PRESIDENT

JENNIFER BRENT

LARRY GROSS

ROGER WOLFSON

City of Los Angeles  
CALIFORNIA



ERIC GARCETTI  
MAYOR

DEPARTMENT OF  
ANIMAL SERVICES  
221 North Figueroa Street  
5<sup>th</sup> Floor  
Los Angeles, CA 90012  
(888) 452-7381  
FAX (213) 482-9511

BRENDA BARNETTE  
GENERAL MANAGER

JOHN D. CHAVEZ  
ASSISTANT GENERAL MANAGER

October 30, 2014

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall  
200 North Spring Street  
Los Angeles, California 90012

2014 NOV -3 AM 9:42  
CITY ADMINISTRATIVE OFFICER

**RECOMMENDATIONS TO ENTER INTO AGREEMENTS WITH SPAY AND NEUTER  
PROJECT LOS ANGELES AND VALUE VET, INC. FOR SPAY/NEUTER CLINIC SERVICES**

Dear Mayor Garcetti,

At its meeting of October 28, 2014, the Board of Animal Services Commissioners approved recommendations to:

1. APPROVE a one-year agreement, with five one-year options to renew, substantially in the form as attached, with the Spay and Neuter Project Los Angeles, Inc. (SNP LA) to operate the Harbor Spay/Neuter Clinic. This approval is subject to the proposer complying with the Mayor's Business Inclusion Program and required Office of Contract Compliance's compliance forms;
2. APPROVE a one-year agreement, with five one-year options to renew, substantially in the form as attached, with Value Vet, Inc. to operate the West Los Angeles Spay/Neuter Clinic. This approval is subject to the proposer complying with the Mayor's Business Inclusion Program and required Office of Contract Compliance's compliance forms;
3. DIRECT staff to transmit the proposed agreements concurrently to the Office of the Mayor, and the Office of the City Attorney for approval as to form, and subsequently to the City Council, and authorize the General Manager of the Department of Animal Services to execute the subject agreements upon receipt of necessary approvals;
4. DIRECT the Departments of Animal Services and General Services, and the City Attorney, to prepare and execute operating agreements with a license agreement subject to the terms of the operating agreement.

AN EQUAL OPPORTUNITY EMPLOYER

Visit our website at [www.LAAnimalServices.com](http://www.LAAnimalServices.com)

## RECOMMENDATION TO ENTER INTO AGREEMENTS WITH SNP LA AND VALUE VET TO PROVIDE SPAY/NEUTER CLINIC SERVICES

October 30, 2014

### SUMMARY

In 2008, the Department issued contracts for the operation of spay/neuter clinics at the West Los Angeles and Harbor shelters. The West Los Angeles clinic is operated by Value Vet; the one in the Harbor shelter is run by SNP LA. Both contracts have been extended to the full length allowed by the City and will expire in January 2015. To ensure that there was no gap in service, the Board of Animal Services Commission authorized the Department to release a Request for Proposals (RFP) for the operation of these two clinics.


Staff released an RFP and the following proposals were received:

- Spay and Neuter Project Los Angeles, Inc. for the Harbor shelter
- Value Vet for the West Los Angeles shelter

Because both of these contractors have demonstrated experience with the Department and have shown satisfactory performance, the Department is recommending contracts with both these organizations.

The Board report, draft agreements, and draft licenses are attached. If your staff requires additional information, please contact John Chavez, Assistant General Manager, at (213) 482-9558 or [john.chavez@lacity.org](mailto:john.chavez@lacity.org).

Sincerely,



Brenda F. Barnette *for*  
General Manager

### Attachments:

Board Report  
Draft Harbor spay-neuter clinic agreement  
Draft West Los Angeles spay-neuter clinic agreement  
Draft Harbor License to Use the Premises of Spay/Neuter Clinic  
Draft West Los Angeles License to Use the Premises of Spay/Neuter Clinic

### CC:

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Mandy Morales, Office of the Mayor  
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Rita Moreno, Board Secretary  
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BRENDA F. BARNETTE  
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**Report to the Board of Animal Services Commissioners**  
**Brenda Barnette, General Manager**

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**COMMISSION MEETING DATE:** October 28, 2014

**PREPARED BY:** John Chavez

**REPORT DATE:** October 21, 2014

**TITLE:** Asst. General Manager

**SUBJECT: ONE-YEAR AGREEMENTS FOR THE OPERATIONS OF THE HARBOR AND WEST LOS ANGELES SPAY/NEUTER CLINICS**

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**BOARD ACTIONS RECOMMENDED:**

1. APPROVE a one-year agreement, with five one-year options to renew, substantially in the form as attached, with the Spay and Neuter Project Los Angeles, Inc. (SNP LA) to operate the Harbor Spay/Neuter Clinic. This approval is subject to the proposer complying with the Mayor's Business Inclusion Program and required Office of Contract Compliance's compliance forms<sup>1</sup>;
2. APPROVE a one-year agreement, with five one-year options to renew, substantially in the form as attached, with Value Vet, Inc. to operate the West Los Angeles Spay/Neuter Clinic. This approval is subject to the proposer complying with the Mayor's Business Inclusion Program and required Office of Contract Compliance's compliance forms;
3. DIRECT staff to transmit the proposed agreements concurrently to the Office of the Mayor, and the Office of the City Attorney for approval as to form, and subsequently to the City Council, and authorize the General Manager of the Department of Animal Services to execute the subject agreements upon receipt of necessary approvals;
4. DIRECT the Departments of Animal Services and General Services, and the City Attorney, to prepare and execute operating agreements with a license agreement subject to the terms of the operating agreement.

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<sup>1</sup> The required documents are: Affirmative Action, Equal Benefits Ordinance, Non-discrimination/Equal Employment Practices Provisions, and the Slavery Disclosure Ordinance.

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## Report to the Board of Animal Services Commissioners

### Subject: One-Year Agreements for SNP LA and Value Vet for Spay-Neuter Clinics

#### SUMMARY

In 2008, the Department issued contracts for the operation of spay/neuter clinics at the West Los Angeles and Harbor shelters. The West Los Angeles clinic is operated by Value Vet; the one in the Harbor shelter is run by SNP LA. Both contracts have been extended to the full length allowed by the City and will expire in January 2015. To ensure that there was no gap in service, the Board of Animal Services Commission authorized the Department to release a Request for Proposals (RFP) for the operation of these two clinics.

#### BACKGROUND

Staff released the RFP on July 29, 2014 and the proposals were due on September 2, 2014. The following proposals were received:

- Spay and Neuter Project Los Angeles, Inc. for the Harbor shelter
- Value Vet for the West Los Angeles shelter

Because both of these contractors have demonstrated experience with the Department and have shown satisfactory performance, the Department is recommending contracts with both these organizations.

However, it is important to note that initial contract performance, when measuring number of monthly sterilizations against the monthly maximum contracted amounts showed that both contractors were underperforming. Upon further review of this performance data, the contractors are in compliance when comparing shelter animals brought to the clinics by Animal Services staff and surgeries performed for those animals. The Department will continue to monitor this performance and report its findings on a monthly basis.

#### SNP LA

##### Experience and Qualifications:

SNP LA has been in operation for seven years providing low-income veterinary services. They state that they are the largest spay/neuter organization in the LA region, and have spayed and neutered over 100,000 pets. They currently operate clinics in Van Nuys and San Pedro in partnership with Animal Services to spay/neuter 10 to 12 shelter animals per day.

##### Proposed Services:

Services will include affordable spay and neuter, a low-cost "wellness" clinic, low-cost vaccinations and community outreach.

##### Compensation to City:

SNP LA proposes a 10% discount on spay/neuter surgeries of shelter animals, and 1% of gross revenue for all other services under this agreement.

#### VALUE VET

##### Experience and Qualifications:

Value Vet, Inc. has served the community for the past 14 years, operating vaccine and full-service veterinary clinics. Staff is trained in the performance of high-volume (30 sterilizations a day) spay/neuter surgeries.

##### Proposed Services:

Services will include free antibiotic injections, E-Collars and wellness exams for adopted animals; and general and specialty surgical procedures, discounted vaccines, medications, flea control, shelter sterilizations and low-cost spay/neuter services.

**Report to the Board of Animal Services Commissioners**  
**Subject: One-Year Agreements for SNP LA and Value Vet for Spay-Neuter Clinics**

Compensation to City:

Compensation to the City would be 5% of gross monthly income (not including voucher income) paid each month for the duration of the contract. Value Vet, Inc. projects a gross revenue of \$2.6 million over a three-year period.

The compensation to the City represents these contractors' initial proposals. Upon approval of this report, the Department would engage in contract negotiations to review these terms and negotiate compensation that is in the best interest to the City.

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**FISCAL IMPACT:**

There is no impact to the General Fund. Funds to pay shelter animal sterilizations will be used from Fund 842, Animal Sterilization Fund. The amount of the discount on Board-approved fees will free up funding to accomplish more surgeries.

**APPROVED**

  
**BRENDA BARNETTE, General Manager**

Attachment:

- Draft Harbor spay-neuter clinic agreement
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- Draft Harbor License to Use the Premises of Spay/Neuter Clinic
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**BOARD ACTION:**

_____ Passed	Disapproved _____
_____ Passed with noted modifications	Continued _____
_____ Tabled	New Date _____