

MOBILE MRI PURCHASE AND OPERATION AGREEMENT

This Mobile MRI Purchase and Operation Agreement (this “**Agreement**”) is made and entered into by and among Eastern Plumas Healthcare District, a California health care district with its principal place of business at 500 1st Ave., Portola, CA 96122 (“**Eastern Plumas**”); Mayers Memorial Healthcare District, a California health care district with its principal place of business at 43563 Highway 299 East, Fall River Mills, CA 96028 (“**Mayers**”); Last Frontier Healthcare District d.b.a. Modoc Medical Center, a California health care district with its principal place of business at 1111 N. Nagle Street, Alturas, CA 96101 (“**Modoc**”); Plumas Healthcare District d.b.a. Plumas District Hospital, a California health care district with its principal place of business at 1065 Bucks Lake Rd., Quincy, CA 95971 (“**Plumas**”); and Seneca Healthcare District, a California health care district with its principal place of business at 130 Brentwood Dr., Chester, CA 96020 (“**Seneca**”). Eastern Plumas, Mayers, Modoc, Plumas, and Seneca are sometimes referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

- A. The Parties are healthcare providers providing medical services in the northeast region of California and are in need of a magnetic resonance imaging (“**MRI**”) system to provide services to their patients.
- B. The Parties are engaged in a collaborative partnership to jointly purchase and operate a mobile MRI system that can be moved among the Parties’ facilities via a trailer (“**Mobile MRI Unit**”).
- C. The Parties will jointly own and operate the Mobile MRI Unit pursuant to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the above Recitals and of the mutual promises and agreements contained herein, the Parties agree as follows:

ARTICLE 1

MOBILE MRI UNIT PURCHASE, OWNERSHIP, OPERATION

- 1.1 Purchase and Delivery of Mobile MRI Unit.** Each Party will deposit its proportionate share of the cost to purchase the Mobile MRI Unit to the Management Agency (as defined in Section 2.1 below) within 30 days’ notice from the Management Agency. The number of payments to the Management Agency shall be based on compliance with the commercial seller’s order and payment terms for the Mobile MRI Unit. For example, if the commercial seller requires a deposit to be paid, the Management Agency will invoice the Parties for their proportionate share of the deposits, and shall further invoice the Parties for their proportionate share of the remaining amount(s) at or around the time payments are due to the commercial seller. The purchase price of the Mobile MRI Unit shall not exceed \$2 million, unless otherwise approved by the Parties as an amendment to this Agreement. Each Party’s proportionate share of the purchase price shall be based on the proportion of scheduled days that each Party is scheduled to use the Mobile MRI Unit upon delivery and operation, as set forth in Exhibit A, attached hereto and incorporated herein. Retroactive adjustments to the Parties’ share of the purchase price, if any, will be addressed pursuant to Section 1.3.2.
- 1.2 Ownership.** The Parties shall jointly own and share legal title to the Mobile MRI Unit. In the event the commercial seller of the Mobile MRI Unit will not agree to the sale with joint

ownership and legal title, the Parties' may agree in writing to designate one Party to serve as the owner or holder of legal title, while the other Parties shall have binding contractual rights to use of the Mobile MRI Unit pursuant to this Agreement (or agree to transfer ownership and legal title jointly to all of the Parties at a later date). An agreement to designate one Party to serve as the owner or holder of legal title, or to transfer ownership and legal title jointly to all of the Parties at a later date, may be approved pursuant to the Administrative Approval Process described in Section 8.1.

1.3 Operation.

1.3.1 Operation Generally. The Parties shall use the Mobile MRI Unit pursuant to the terms and conditions of this Agreement, and shall comply with all applicable laws, rules and regulations in the use and operation of the Mobile MRI Unit.

- (a) *Privacy Compliance.* Without limiting the generality of the foregoing, each Party shall comply with any applicable health and consumer information privacy laws, including without limitation the Health Insurance Portability and Accountability Act of 1996, the Confidentiality of Medical Information Act, and the California Consumer Privacy Act, as each may be amended from time to time. If deemed appropriate in the reasonable discretion of the Management Agency, the Parties agree to execute one or more business associate agreements or similar agreements to provide further assurances for legal compliance in relation to the use and operation of the Mobile MRI Unit and nondisclosure of protected health information or similar data.
- (b) *Required Licenses or Permits for Individual Parties.* Notwithstanding Section 2.1.1, if a Party or its employees or agents is required by applicable laws, rules or regulations to obtain individual licenses or permits for use or operation of the Mobile MRI Unit, each Party shall be responsible for obtaining such licenses or permits; a Party's failure or delay in obtaining such licenses or permits shall not affect its obligations under this Agreement, including without limitation any financial obligations.
- (c) *Medical Malpractice Liability.* Except to the extent covered by medical malpractice liability or other professional liability insurance of the Operator, each Party shall be responsible for medical malpractice liability arising from such Party's use or operation of the Mobile MRI Unit and agrees to defend, indemnify, and hold harmless the other Parties therefor pursuant to the provisions of Section 5.2.
- (d) *Billing.* Each Party is responsible for billing its own patients relating to the Party's use and operation of the Mobile MRI Unit.

1.3.2 Operating Schedule. The Parties hereby agree that the Mobile MRI Unit will rotate for use by each of the Parties in accordance with the schedule set forth in Exhibit A. Exhibit A may be amended or replaced pursuant to the Administrative Approval Process described in Section 8.1.

- (a) *Updates to Purchase Price Responsibility.* If, during the initial term of this Agreement, the Parties amend the operating rotation in Exhibit A, the amendment will state whether, and to what extent, the Parties will make payments or receive credits due to retroactively updating the Parties' proportionate shares of the purchase price based on the updated schedule. Such amendment may generally be approved pursuant to the Administrative Approval Process described in Section 8.1 (provided that a Party whose share of the purchase price will increase as a result of the amendment may be required to submit such amendment to its governing body for approval because the additional amount exceeds the delegated authority of its chief executive officer or general manager).
- (b) *Updates to O&M Expenses.* If, at any time during the term of this Agreement, the Parties amend the operating rotation in Exhibit A, the Parties' responsibilities for O&M Expenses (as defined below) will be updated on a going-forward basis as of the effective date of such amendment. In addition, the amendment will state whether, and to what extent, the Parties will make payments or receive credits due to retroactively updating the Parties' proportionate shares of the O&M Expenses for the current Fiscal Year (as defined below) in which the amendment took effect. Such amendment may generally be approved pursuant to the Administrative Approval Process described in Section 8.1 (provided that a Party whose share of the O&M Expenses will increase as a result of the amendment may be required to submit such amendment to its governing body for approval because the additional amount exceeds the delegated authority of its chief executive officer or general manager).

1.4 Damage by Party or Its Agents. Each Party agrees to exercise reasonable care in the use of the Mobile MRI Unit. In the event a Party or its officials, officers, employees, contractors, consultants, or agents negligently, recklessly, or willfully causes loss or damage to the Mobile MRI Unit or causes a penalty or enforcement action by a court, regulatory agency, or other governmental body, such Party shall pay the reasonable and necessary costs, including the costs of defense, incurred by the Management Agency or other Parties as a result of the damage, penalty, or enforcement action, which may include but not be limited to costs of repairs or replacement. Costs allocated to a specific Party under this section shall be included in a quarterly bill issued by the Management Agency following consultation with representatives of all of the Parties. In the event that the Management Agency cannot or does not make an allocation to one or more specific Parties pursuant to this section, such costs shall be shared by the Parties as part of O&M Expenses, or one or more of the Parties may invoke the dispute resolution provisions of this Agreement prior to pursuing legal action to enforce this section.

1.5 Cooperation and Coordination. The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement. Designated representatives of each of the Parties will meet from time to time to discuss matters related to the Mobile MRI Unit, including existing or anticipated issues related to operation and maintenance and the schedule provided under Exhibit A.

ARTICLE 2
MANAGEMENT AGENCY; O&M EXPENSES

- 2.1 Management Agency.** One Party will be designated in Exhibit A as the management agency (“**Management Agency**”) responsible for:
- 2.1.1 Permits and Licensing.** Obtaining and maintaining, or causing applicable contractors or agents to obtain and maintain, any and all permits, licenses, or other legal entitlements which are required to be obtained or maintained with respect to ownership, operation, and maintenance of the Mobile MRI Unit; and
- 2.1.2 Services Necessary for Operation & Maintenance.** Operating and maintaining the Mobile MRI Unit in good repair and working order and providing the services envisioned under this Agreement, including contracting for all services reasonably necessary to operate and maintain the Mobile MRI unit, which may include but not be limited to: (1) a mobile operator (“**Operator**”) to move and operate the Mobile MRI Unit among the Parties’ designated facilities based on the schedule in Exhibit A; (2) leasing or otherwise contracting for a tractor/semi-truck to move the Mobile MRI Unit (to the extent not provided by the Operator); (3) obtaining and maintaining insurance coverage as described herein; (4) performing or causing performance of maintenance and repairs; and (5) licensing compliance. For the clarity of the Parties, the Management Agency may contract for a contractor to be responsible for some or all of these services, but shall generally be responsible for ensuring they are provided under this Agreement.
- 2.2 Contracting Procedures.** The Management Agency shall comply with applicable laws, rules and regulations when contracting for services for the operation and maintenance of the Mobile MRI Unit. Prior to any O&M Expense contract or expenditure that will exceed \$50,000 in any Fiscal Year (defined below), the Management Agency will provide prior written notice to the designated representatives of the other Parties and provide at least 15 business days’ opportunity for comments and questions on the proposed contract or expenditure. The notice must include the proposed scope of services and anticipate annual cost during the term of the Agreement. Notwithstanding the above, if the O&M Expense contract or expenditure arises from an Emergency (as defined below), the Management Agency may proceed with the contract or expenditure, provided that it must provide written notice to the other Parties as soon as practicable, but in no case more than five (5) calendar days after execution of the contract or incurring the expense. For purposes of this Agreement, “**Fiscal Year**” shall mean the one-year period commencing on the first day of July each year and ending on the last day of June of the following year.
- 2.3 Insurance.** The Management Agency will procure and maintain and/or cause the Operator to procure and maintain, all insurance reasonably necessary related to the operation, maintenance, and protection of the Mobile MRI Unit, which may include, but not be limited to: (1) commercial general liability insurance; (2) property insurance sufficient to cover the replacement value of the Mobile MRI Unit; (3) automobile liability insurance; (4) workers’ compensation coverage; and (5) applicable professional liability insurance.
- 2.4 O&M Expenses.** Costs for all expenses incurred by the Management Agency pursuant to Section 2.1 shall be referred to as “**O&M Expenses.**”

- 2.4.1** Administrative Costs. The Management Agency may include its administrative costs in the O&M Expenses. Such administrative costs will be determined by tracking the Management Agency's actual costs at the fully burdened rate for its employees. The administrative costs shall not exceed 5% of the cost of other O&M Expenses during a Fiscal Year, except as otherwise approved pursuant to the Administrative Approval Process described in Section 8.1 for such Fiscal Year.
- 2.4.2** Billing for O&M Expenses. On a quarterly basis, the Management Agency will bill the other Parties in advance of the beginning of each quarter for their proportionate share of O&M Expenses for the upcoming quarter, which will be divided among the Parties based on the proportion of scheduled days that each Party will use the Mobile MRI Unit as set forth in Exhibit A (except as otherwise provided in Section 1.4 of this Agreement). Retroactive adjustments to the Parties' share of the O&M Expenses for a Fiscal Year, if any, will be addressed pursuant to Section 1.3.2. Payments to the Management Agency must be made within 60 days of receipt of the quarterly invoice from the Management Agency. In addition to the amount due for the upcoming quarter, the invoice will include O&M Expenses incurred in the previous quarter. If a Party disputes any charges included on the invoice, the disputing Party must provide written notice of the amount and basis for dispute within the 60-day period. Upon receipt of such notice, Management Agency shall schedule a meeting within thirty (30) days, or such other period of time agreed upon by the Parties, with the Parties' representatives to discuss the disputed amount(s) prior to resorting to the dispute resolution provisions of this Agreement. The Management Agency may charge interest for any amounts not paid within the 60-day period at a rate of 10% per annum or the maximum legal rate, whichever is less.
- 2.4.3** Cash Flow. Any net surplus or deficit of cash used by Management Agency arising from advance quarterly payments will be added or deducted from future quarterly payments. A reconciliation of the net surplus or deficit of actual funds used by Management Agency will be calculated and/or reconciled by Management Agency each Fiscal Year and reflected in the quarterly payments for the upcoming Fiscal Year. In addition to advance quarterly payments, if Management Agency determines the advance quarterly payments will be insufficient due to anticipated operations or unanticipated expenses, Management Agency may issue a supplemental invoice upon approval pursuant to the Administrative Approval Process described in Section 8.1, which approval shall not be unreasonably conditioned, withheld, or delayed.
- 2.4.4** Unexpected Expenditures. Management Agency may utilize the advance quarterly payments to pay for unexpected costs and expenses required: (1) in the event of an emergency or sudden unexpected occurrence requiring immediate action to prevent or mitigate loss or damage to the Mobile MRI Unit ("**Emergency**"); and/or (2) in the event of new or expanded federal, state, and local laws, rules and regulations applicable to the operation of the Mobile MRI Unit. Following any event or occurrence under this section, Management Agency shall promptly provide to representatives of the other Parties a summary of the emergency circumstance, actions taken, and estimated costs thereof. Management Agency shall replenish the advance quarterly payment fund for any unexpected expenditures resulting from loss or damage caused by Management Agency pursuant to Section 1.4.

- 2.4.5** Annual Estimates for O&M Expenses. The Management Agency will prepare a non-binding estimate of O&M Expenses and quarterly payments by April 1 of each year in order to assist the other Parties with budgeting for anticipated O&M Expenses for the upcoming Fiscal Year.
- 2.4.6** Year-End Adjustment. At the end of each Fiscal Year, the Management Agency shall reconcile the O&M Expenses and quarterly payments by the Parties. If one or more of the Parties overpaid, the Management Agency shall credit any future charges; if one or more of the Parties underpaid, the Management Agency shall bill for any additional amounts due in the quarter after the prior year costs have been reconciled.

ARTICLE 3 RECORDS AND AUDITS

- 3.1** Keeping and Maintenance of Records. The Management Agency shall keep appropriate records and accounts of all costs and expenses related to the acquisition of the Mobile MRI Unit and the O&M Expenses. The Management Agency shall keep such records and accounts related to acquisition for at least ten (10) years and O&M Expenses for at least four (4) years, or for any longer periods required by law or other obligation. All Parties shall keep appropriate records and accounts related to the use of the Mobile MRI Unit for at least four (4) years or for any longer periods required by law or other obligations. Notwithstanding the disposition of any records or accounts as authorized above, the Management Agency shall maintain basic records and/or accounts showing the Parties' total contributions toward the purchase of the Mobile MRI Unit and O&M Expenses throughout the term of the Agreement.
- 3.2** Inspection and Annual Audits. Said records and accounts shall be subject to reasonable inspection by any authorized representative of any Party. Further, Management Agency's accounts and records shall be audited annually by an independent certified public accounting firm appointed by Management Agency pursuant to generally accepted accounting principles. A copy of said report shall be available to any Party. As part of said audit, the actual amount of acquisition costs (in the applicable Fiscal Year(s), O&M Expenses, and payments from each Party shall be determined and audited by the Management Agency's external auditors, and a summary of such amounts shall be included as a footnote or attachment to the annual audit. Incremental additional audit costs for Management Agency to comply with this section, if any, may be included as O&M Expenses in the Fiscal Year in which the audit is performed.

ARTICLE 4 TERM; WITHDRAWAL; TERMINATION; SALE OR DISPOSAL OF MOBILE MRI UNIT

- 4.1** Initial Term; Renewal Terms. This Agreement shall be effective upon execution by all of the Parties, and shall be dated as of the signature date of the last executing Party ("**Effective Date**"). The initial term of this Agreement shall be five (5) years, commencing upon delivery of the Mobile MRI Unit by the commercial seller to the Parties ("**Commencement Date**"). This Agreement shall automatically renew for up to three (3) additional renewal terms of five (5) years (for a potential total term of 20 years), unless a Party provides prior written notice to all other Parties at least 180 days before the end of the initial term or a renewal term of its intent not to renew its participation in this Agreement. Upon the start of the new renewal term, the non-renewing Party shall no longer be considered a Party to this Agreement.

- 4.2 Further Extension.** This Agreement is subject to extension beyond the initial term and three (3) renewal terms by agreement of the then-existing Parties.
- 4.3 Termination.** The Parties may mutually terminate this Agreement by a written instrument signed by all Parties.
- 4.4 Withdrawal During Renewal Term.** Notwithstanding the provisions of Section 3.1, a Party may withdraw during a renewal term (but not during the initial term) by providing prior written notice to all of the other Parties under the following circumstances: (1) the Party declares bankruptcy or insolvency under any applicable federal or state standard, has filed for protection or relief under any applicable bankruptcy or creditor protection statute, or has been formally threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute, in which case the Party's withdrawal may be effective within 60 days; or (2) at least 180 days before the start of a Fiscal Year, the Party provides notice to the other Parties of its intent to withdraw. The other Parties may agree to an earlier withdrawal date pursuant to the Administrative Approval Process described in Section 8.1. Upon the effective date of withdrawal, the withdrawing Party shall no longer be considered a Party to this Agreement.
- 4.5 Sale or Disposal of Mobile MRI Unit.** The Mobile MRI Unit will not be sold, otherwise disposed of, or subcontracted without the prior written approval of all the then-existing Parties to the Agreement pursuant to the Administrative Approval Process described in Section 8.1. Proceeds from the sale, disposition, or subcontracting of the Mobile MRI Unit shall be divided among the then-existing Parties based on their total contributions toward the purchase of the Mobile MRI Unit and O&M Expenses during the term of the Agreement. Notwithstanding any other provisions of this Agreement, the provisions of this Section 4.5 shall survive the expiration or mutual termination of this Agreement.

ARTICLE 5

INSURANCE AND INDEMNIFICATION

- 5.1 Insurance.** During the Term of this Agreement, the Parties shall maintain in full force and effect insurance policies and/or equivalent risk management coverage in the manner and to the extent that each Party insures and/or self-insures itself for similar risks with respect to such Party's operations, equipment, and property. The manner in which such insurance and/or self-insurance is provided and the extent of such insurance and/or self-insurance shall be set forth in a Certificate of Insurance and/or Certificate of Self-Insurance, delivered to the other Parties and signed by an authorized representative of the applicable Party, which fully describes the insurance and/or self-insurance program and how the insurance/program covers the risks set forth in this section. Minimum policy limits maintained by any Party shall in no way limit the Party's indemnification obligations under this Agreement. Insurance provided by a joint powers agency insurance pool shall be considered self-insurance for the purposes of this section. Coverage under such insurance and/or self-insurance shall provide coverage for the following:
- 5.1.1 Commercial General Liability.** Commercial general liability insurance or equivalent risk management coverage covering bodily injury, property damage, personal/advertising injury, premises/operations liability, products/completed operations liability, and contractual liability, in an amount no less than \$2,000,000 per occurrence / \$4,000,000

aggregate. The policy shall give the other Parties, their officials, officers, employees, agents and designated volunteers additional insured status, or endorsements providing the same coverage. Any Party may request a mutual increase in the dollar amount of insurance required under this Section every five (5) years; the new amount shall be based on prevailing insurance standards in the healthcare industry applicable at the time.

5.1.2 Automobile Liability. Automobile liability insurance or equivalent risk management coverage in an amount no less than \$1,000,000 per occurrence for bodily injury and property damage. Coverage shall include owned, non-owned and hired vehicles. The policy shall give the other Parties, their officials, officers, employees, agents and designated volunteers additional insured status, or endorsements providing the same coverage. Any Party may request a mutual increase in the dollar amount of insurance required under this Section every five (5) years; the new amount shall be based on prevailing insurance standards in the healthcare industry applicable at the time.

5.1.3 Workers' Compensation. Workers' compensation insurance or equivalent risk management coverage as required by law. Each Party certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and each Party will comply with such provisions before commencing work under this Agreement.

In addition, the Parties shall ensure that all contractors and subcontractors performing work in or around the Mobile MRI Unit maintain in full force and effect insurance policies consistent with the types and amounts of insurance required above. To the maximum extent practicable, each Party shall ensure that its contractors' and subcontractors' Commercial General Liability and Automobile Liability policies give the other Parties and their officials, officers, employees, agents, and designated volunteers additional insured status, or endorsements providing the same coverage.

5.2 Indemnification.

5.2.1 Each Party (the "Indemnifying Party") shall indemnify, defend and hold harmless the other Parties and their officials, officers, employees and agents (the "Indemnified Parties") from and against any and all liability, loss, damages, expenses, costs (including, without limitation, costs and fees of litigation or arbitration) of every nature, arising out of any act or omission of the Indemnifying Party related to this Agreement, provided, however, that the foregoing obligations shall not apply to the proportionate extent such claims or damages are caused by the negligence, recklessness, or willful misconduct of the Indemnified Parties.

5.2.2 Notwithstanding any other provision of this Agreement, this Section 5.2 and any obligations arising from this section shall survive any expiration of, termination of, nonrenewal of, or withdrawal from, this Agreement.

ARTICLE 6

FORCE MAJEURE

- 6.1** **Force Majeure Event.** A “Force Majeure Event” means an act, event, or condition described below that materially and adversely affects the ability of a Party to perform any obligation under this Agreement as long as such act, event or condition is beyond the reasonable control of such Party and is not a result of a negligent, reckless, or willful act or omission of or breach of this Agreement by such Party. Such acts, events, or conditions are: (a) an act of God, including an earthquake, wildfire, or other natural disaster or phenomenon, the effects of which could not be prevented or avoided by the exercise of due care or foresight; (b) terrorism, acts of a public enemy, war, blockage, or insurrection, riot, or civil disturbance; (c) an epidemic or pandemic affecting the area, a government ordered work stoppage in response to a declared public health crisis in the state or local area, or an epidemic, pandemic, or government ordered work stoppage in response to a declared public health crisis inside or outside the local area, if it impacts the supply chain for necessary equipment, materials, or labor; or (d) strikes, lockouts, work stoppages or labor disputes. Upon the occurrence of a Force Majeure Event, a Party shall be excused from its obligations under this Agreement (except payment obligations) for the period during which it is unable to comply with such obligations as a result of the Force Majeure Event. Any excuse of obligations of such pursuant to this section is subject to the proviso that, upon obtaining knowledge of a Force Majeure Event, such Party: (a) promptly notifies the other Parties of the Force Majeure Event; (b) provides reasonable details and updates relating to such Force Majeure Event and mitigation measures; and (c) implements mitigation measures to the extent commercially reasonable.

ARTICLE 7

DISPUTE RESOLUTION; ENFORCEMENT; EVENTS OF DEFAULT

7.1 **Dispute Resolution.**

- 7.1.1** **Non-Binding Mediation.** If a dispute arises among the Parties relating to or arising from a Party’s obligations under this Agreement, the Parties involved in the dispute shall first endeavor to resolve the matter through informal discussions and meetings among senior management of the Parties. If the matter remains unresolved, the Parties involved in the dispute shall next endeavor to settle the dispute in an amicable manner, using mandatory non-binding mediation under the rules of JAMS, AAA, or any other neutral organization agreed upon by the Parties before having recourse in a court of law. Mediation shall be commenced by sending a notice of demand for mediation to the other Party or Parties to the dispute. A copy of the notice shall be sent to all of the Parties.
- 7.1.2** **Selection of Mediator.** A single mediator that is acceptable to the Parties involved in the dispute shall be used to mediate the dispute. The mediator will be knowledgeable in the subject matter of this Agreement, if possible, and chosen from lists furnished by JAMS, AAA, or any other agreed upon mediator.
- 7.1.3** **Mediation Expenses.** The expenses of witnesses for either side shall be paid by the Party producing such witnesses. All mediation costs, including required traveling and other

expenses of the mediator, and the cost of any proofs or expert advice produced at the direct request of the mediator, shall be equally shared by the Parties to the dispute.

- 7.1.4 Conduct of Mediation.** Mediation will be conducted in an informal manner. Discovery shall not be allowed. The discussions, statements, writings and admissions and any offers to compromise during the proceedings will be confidential to the proceedings (Evidence Code §§ 1115 – 1128; 1152) and will not be used for any other purpose unless otherwise agreed by the Parties in writing. The Parties may agree to exchange any information they deem necessary. The Parties involved in the dispute shall have representatives attend the mediation who are authorized to settle the dispute, though a recommendation of settlement may be subject to the approval of each agency's boards or legislative bodies. Either Party may have attorneys, witnesses, or experts present.
- 7.1.5 Mediation Results.** Any resultant agreements from mediation shall be documented in writing. The results of the mediation shall not be final or binding unless otherwise agreed to in writing by the Parties. Mediators shall not be subject to any subpoena or liability and their actions shall not be subject to discovery.
- 7.1.6 Performance Required During Dispute.** Nothing in this Section 7.1 shall relieve the Parties from performing their obligations under this Agreement. The Parties shall be required to comply with this Agreement, including the performance of all disputed activity and disputed payments, pending the resolution of any dispute under this Agreement.
- 7.1.7 Offers to Compromise.** Any offers to compromise before or after mediation proceedings will not be used to prove a Party's liability for loss or damage unless otherwise agreed by the Parties in writing (pursuant to Evidence Code Section 1152).
- 7.2 Enforcement.** The Parties are hereby authorized to take any and all legal or equitable actions, including but not limited to an injunction and specific performance, necessary or permitted by law to enforce this Agreement.
- 7.3 Additional Remedies.** In the event that a Party has violated any material obligation in this Agreement, one or more of the other Parties may provide the violating Party with notice and written description of such violation. In the event that the violating Party is unwilling or unable to cure such breach within 60 days (or commence to cure such breach, if not reasonably curable within such period), the violating Party shall be deemed to have defaulted under this Agreement, and the other Parties may, by unanimous agreement among the other Parties: (1) immediately or on a specified date terminate the defaulting Party as a Party to this Agreement; (2) order that the defaulting Party shall not continue as a Party to this Agreement upon the start of a renewal term; (3) if the defaulting Party's violations relate to nonpayment of obligations under this Agreement, require the defaulting Party to make an additional advanced deposit of funds; or (4) provide a written warning to the defaulting Party that further violations of this Agreement may result in termination, nonrenewal, or payment of an additional advanced deposit.

**ARTICLE 8
MISCELLANEOUS PROVISIONS**

- 8.1 Administrative Approval Process.** The “Administrative Approval Process” is a formal binding process by which aspects of this Agreement may be amended or supplemented and relates to technical, administrative, operational, and/or procedural details of this Agreement. Matters subject to the Administrative Approval Process, as expressly identified in this Agreement, may be approved by a writing signed by the chief executive officer or general manager of each of the Parties, without requiring approval by the Parties’ governing bodies. Upon approval of an amendment or supplement to this Agreement approved by the Administrative Approval Process, the Management Agency shall provide copies of the executed amendment or supplement to all of the Parties.
- 8.2 Amendment.** Except as otherwise provided in this Agreement, neither this Agreement nor any provision hereof may be modified or amended except by a written instrument signed by the Parties.
- 8.3 Severability.** If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable, and the remainder of the Agreement or the application of such provisions to any other Party or to other persons or circumstances shall not be affected thereby. Each Party hereby declares that it would have entered into this Agreement, and each subsection, sentence, clause and phrase thereof, irrespective that one or more sections, subsections sentences, clauses or phrases or the application thereof might be held invalid.
- 8.4 Notices.** Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid to the respective Parties, as follows:

EASTERN PLUMAS:

Eastern Plumas Healthcare District
500 1st Avenue
Portola, CA 96122
Attn: Chief Executive Officer

MODOC:

Last Frontier Healthcare District
1111 N. Nagle Street
Alturas, CA 96101
Attn: Administration

MAYERS:

Mayers Memorial Healthcare District
P.O. Box 459
Fall River Mills, CA 96028
Attn: Chief Executive Officer

PLUMAS:

Plumas Healthcare District
1065 Bucks Lake Rd.
Quincy, CA 95971
Attn: Chief Executive Officer

SENECA:

Seneca Healthcare District
199 Reynolds Road
Chester, CA 96020
Attn: Chief Executive Officer

The Parties may from time to time change the address to which notice may be provided by providing notice of the change to the other Parties.

- 8.5 Other Agreements Not Prohibited.** Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.
- 8.6 Assignment.** Except as otherwise provided in this Agreement, the rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the consent of each Party hereto.
- 8.7 Section Headings.** The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.
- 8.8 Laws of California.** This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of such State.
- 8.9 Construction of Language.** It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- 8.10 Successors.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.
- 8.11 Time of Essence.** Time is of the essence for each and every provision of this Agreement.
- 8.12 Integration.** This Agreement constitutes the full and complete Agreement of the Parties.
- 8.13 Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
- 8.14 No Third Party Beneficiaries.** All of the covenants contained in this Agreement are for the express benefit of each and all such Parties. This Agreement is not intended to benefit any third parties, and any such third party beneficiaries are expressly disclaimed.

SIGNATURES ON FOLLOWING PAGE(S)

IN WITNESS WHEREOF, the Parties have caused this Mobile MRI Purchase and Operation Agreement to be executed and attested by their proper officers thereunto duly authorized on the day and year set forth below, making the same effective on the date signed by the last of the Parties hereto.

EASTERN PLUMAS HEALTHCARE DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

MAYERS MEMORIAL HEALTHCARE DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

**LAST FRONTIER HEALTHCARE DISTRICT d.b.a.
MODOC MEDICAL CENTER**

By: _____

Name: _____

Title: _____

Date: _____

**PLUMAS HEALTHCARE DISTRICT d.b.a. PLUMAS
DISTRICT HOSPITAL**

By: _____

Name: _____

Title: _____

Date: _____

SENECA HEALTHCARE DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

ROTATION SCHEDULE; MANAGEMENT AGENCY

The Parties hereby agree to the following rotation schedule for the Mobile MRI Unit:

<u>Week</u> <u>1</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>	<u>Saturday</u>	<u>Sunday</u>
	<i>Eastern Plumas</i>	<i>Plumas</i>	<i>Seneca</i>	<i>Mayers</i>	<i>Modoc</i>		
<u>Week</u> <u>2</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>	<u>Saturday</u>	<u>Sunday</u>
	<i>Eastern Plumas</i>	<i>Eastern Plumas</i>	<i>Plumas</i>	<i>Seneca</i>	<i>Modoc</i>		

<u>Week</u> <u>3</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>	<u>Saturday</u>	<u>Sunday</u>
	<i>Eastern Plumas</i>	<i>Plumas</i>	<i>Seneca</i>	<i>Mayers</i>	<i>Modoc</i>		
<u>Week</u> <u>4</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>	<u>Saturday</u>	<u>Sunday</u>
	<i>Eastern Plumas</i>	<i>Plumas</i>	<i>Plumas</i>	<i>Seneca</i>	<i>Modoc</i>		

The Parties further agree that the Management Agency shall be: **Seneca Healthcare District.**