

SERVICE AGREEMENT

Contract No. _____

Security Services

THIS AGREEMENT (“Agreement”) effective as of January 1, 2024 (“Effective Date”) is made by and between **GRAND ITASCA CLINIC AND HOSPITAL, a Minnesota nonprofit organization** (“GICH”) located at 1601 Golf Course Road, Grand Rapids MN 55744 and **City of Grand Rapids**, a Minnesota municipal corporation (“Vendor”) located at 420 N Pokegama Avenue, Grand Rapids, MN 55744. GICH is a subsidiary of Fairview Health Services. **FAIRVIEW HEALTH SERVICES** includes the corporation Fairview Health Services and all entities that are included on Fairview’s consolidated audited financial statements.

SERVICES DESCRIPTION: During the term of the Agreement, Vendor shall provide fully qualified, trained and experienced personnel to provide security services to the clinic and hospital of GICH. A further description of Agents services and responsibilities are outlined in Exhibit A attached hereto.

I. Contract Length of Term.

Initial Term - Agreement Begin Date: January 1, 2024 **Agreement End Date:** December 31, 2026

Upon the conclusion of the Initial Term, the Agreement shall automatically renew for twelve (12) consecutive calendar month period(s), unless Fairview provides to Vendor written notice to cancel the automatic extension period at least sixty (60) days before the end of the Initial Term or the current extension period. If the purchase of products/services continues beyond the end date, the terms of this Agreement shall apply to such purchases until a new agreement is entered into between the parties.

II. Termination. This Agreement may be terminated by the following:

- a. Either party at any time, with or without cause, upon sixty (60) days prior written notice to the other for any reason or no reason at all;
- b. Immediately upon written notice by a non-breaching party if a material breach is not cured by the breaching party within twenty (20) business days of receiving written notice of such material breach; or
- c. By the mutual agreement of the parties.

III. Pricing. Pricing shall be as described in Exhibit A attached hereto. However, GICH shall disclose any discounts received under this Agreement as required under state and federal law. Since GICH is a Premier group purchasing organization “GPO” member, if Vendor is a GPO member, Vendor shall disclose and apply any second-source Premier pricing which applies to the services covered by this Agreement.

IV. Products (including New) or Services. Vendor will provide the products, services and/or supplies as listed above or as attached to this Agreement. These will be provided according to professional and industry standards and according to GICH’s satisfaction. For products covered by this Agreement, Vendor warrants that such services will be delivered suitable for the uses intended by GICH. Vendor will not promote new products or services that have not been approved by the U.S. Food and Drug Administration (FDA). Upon FDA approval or market introduction, Vendor will not use or introduce such new products or services at GICH facilities without prior GICH consent and approved pricing, subject to Section VI below.

V. Non-Contracted/Non-Approved Products or Services. If non-contracted or non-approved products or services are used without written pre-approval, GICH, at its sole discretion, may provide payment based on the contracted price for same or similar products, whether from Vendor or Vendor’s competitors, or pay the current capitated price for such products, when applicable. Notwithstanding the foregoing, GICH also reserves the right to suspend or exclude Vendor, including but not limited to its personnel and agents, access to any facilities for continued non-compliant occurrences of providing non-contracted or non-approved products and services for use.

VI. Distributor Price Notification. Vendor will provide all pricing information to GICHs’ chosen Distributor(s) within fourteen (14) days, or earlier, of the agreed upon start date of this Agreement.

VII. Vendor Certification Program. GICH has a Vendor Certification Program. All individual vendor representatives who conduct business at any GICH site must comply with GICH’s Vendor Certification Program; information to complete the certification process is available on the GICH website: <https://www.fairview.org/vendor>. To open the link, use Google Chrome browser. All Vendor representatives entering a GICH facility will be required to provide proof of current compliance with GICH’s Vendor Certification Program.

VIII. Compliance. In performing activities related to this Agreement on the premises of GICH, Vendor shall comply with all

applicable policies and procedures of GICH, including applicable Joint Commission standards. Vendor warrants it is not excluded or suspended from participation in any federal or state payor program. Vendor agrees to keep sufficient records for ten (10) years after the termination of this Agreement to make such records available upon the request of proper government authorities to verify the nature and cost of the products/services provided hereunder. This requirement shall apply to any subcontractor used under this Agreement.

- IX. Office of Federal Contract Compliance Programs (OFCCP) Compliance.** GICH is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.
- X. HIPAA.** Notwithstanding any other part of this Agreement, Vendor agrees to the extent any information utilized under this Agreement is "protected health information", as defined by the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder ("HIPAA"), it will comply with the requirements of HIPAA and HITECH and:
- a. Protect the privacy of such "protected health information" in accordance with the most restrictive legal requirements applicable to it or to GICH and report any security incidents of which it becomes aware;
 - b. Use appropriate safeguards and take all reasonable and necessary steps to prevent unauthorized or improper disclosure and use of such "protected health information"; and
 - c. Include the requirements of this Section in any agreement or arrangement with any subcontractor with whom it contracts with respect to such health data or with any person to whom it will provide or allow access to any or all of such health data.
 - d. Vendor will comply with GICH's Business Associate Agreement if provided with this Agreement.
- XI. False Claims Provision.** Vendor and its employees will comply with the Federal False Claims Act. Vendor and its employees shall not make, present, submit, or cause to be made, presented or submitted any false claim or statement to federally funded contract or program, such as Medicare, or file any fraudulent claim for payment. Vendor and its employees must remain alert to the possibilities of violations by others and report any observed violations. Reports should be made to GICH's compliance hotline at 1-800-530-4694. All reports will be reviewed in good faith to determine the validity of the reported violation. Persons or entities that are the original source of information regarding fraudulent claims or statements made to the government may bring a civil action for a violation of the Act on behalf of the government.
- XII. Indemnification.** Each party to this Agreement shall indemnify, defend, and hold harmless the other party hereto against any and all claims, judgments, damages, costs and expenses (including reasonable attorney's fees and costs) arising from the negligent operations, acts or omissions of the indemnifying party, its employees, agents, and representatives while engaged in activities within the scope of this Agreement. Any Limitation of Liability provision contained in this Agreement shall not serve to limit Vendor's indemnification responsibility for claims related to: (i) personal injury or death, (ii) acts of willful misconduct or gross negligence, (iii) breaches of confidentiality (including breaches of HIPAA or other privacy requirements), or (iv) acts of infringement. This provision shall survive termination of the Agreement with respect to any claim, action, or proceeding that relates to operations, acts or omissions occurring during the term of this Agreement.
- XIII. Network Security Access.** Vendor shall access only GICH Information Systems authorized by GICH and shall use such access solely for providing Services to GICH. Vendor shall not access nor attempt to access any applications, systems or data which GICH has not authorized Vendor to access or which Vendor does not need to access in order to perform Services for GICH. Vendor's access or attempt to access any applications, data or systems in violation of the terms referenced in this section shall be a material breach of the Agreement. In the event GICH authorizes Vendor to remotely access GICH Information Systems, unless authorized by GICH in writing, only GICH -owned and maintained mobile/PC devices (i.e., laptops, electronic notebooks, desktop PCs, etc.) may be used for remote access into GICH Information Systems. In the event that GICH approves Vendor-owned mobile/PC devices for remote access connections, Vendor shall: (i) comply with GICH's standard security controls; (ii) only connect to GICH Information Systems through a GICH approved network, including any GICH approved third party tools, methods, or processes; (iii) adhere to GICH standard authentication protocols including, but not limited to, network and application login accounts; (iv) utilize GICH standard connectivity protocols and reference the ISP3000 standard; and, (v) comply with all GICH policies and procedures regarding the safekeeping of GICH data, including returning, destroying, or, returning and destroying, all GICH data (where such decision is at GICH's sole discretion), with a certificate of secure destruction, if requested by GICH. Vendor shall maintain processes to prevent unauthorized or inappropriate modification of GICH Information, for both data in transit and data at rest.

- XIV. **Insurance.** GICH shall maintain general liability insurance and other necessary insurance (including professional liability, workers' compensation and umbrella liability) to insure against risks incident to this Agreement. Such insurance will be written by reliable insurance companies or through a self-funded insurance program and will have limits of liability as are reasonable and customary for the healthcare industry. Vendor shall maintain the following insurance coverage, written by reliable insurance companies and shall cover the Vendor, its employees, agents and contractors:
- a. Commercial General Liability – Minimum \$1,000,000 per occurrence/annual aggregate;
 - b. Products and Completed Operations Liability – Minimum \$1,000,000 per occurrence/aggregate;
 - c. Business Automobile Liability including Owned, Non-Owned and Hired Autos – Minimum \$1,000,000 per accident/aggregate;
 - d. Statutory Workers' Compensation Coverage and Employer's Liability – Minimum \$1,000,000 per accident/aggregate; and
 - e. Commercial Umbrella/Excess Liability – Minimum \$5,000,000 per occurrence/aggregate.
 - f. Network Security Insurance – If applicable, VENDOR shall maintain Network Security/Privacy Liability Insurance with limits of not less than Five Million Dollars (\$5,000,000) per loss and Five Million Dollars (\$5,000,000) annual aggregate.

Upon request, either party shall provide a certificate or other proof of insurance to the other party. Any liability insurance limits shall not limit GICH's right to indemnity under this Agreement.

- XV. **Miscellaneous.** The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach or violation of the same or any other provision herein. Sections IX and XI shall survive the termination of this Agreement.

- XVI. **Payment/Invoices.** GICH's payment terms for undisputed invoices are Net 40 unless otherwise agreed upon. Invoices are to be submitted to: **GICH's Director of Facilities (Marc.Dulong@fairview.org) to review and approve. If approved, the invoice will be forward to Fairview Health Services, Attn: Accounts Payable, P.O. Box 59318, Minneapolis, MN 55459 for payment.**

- XVII. **Notices.** Any notice, demand, claim, or other communication required or permitted under this Agreement shall be in writing and shall be effectively given if sent by either (i) an electronically signed email with returned receipt received, (ii) by an electronic signature tool, (iii) facsimile, with a hard copy following transmittal completion, or (iv) if mailed by the United States Postal Service, certified or registered mail, postage prepaid, return receipt requested however if sent by regular mail shall be deemed given, delivered and received three (3) business days after the same is deposited within an United States Post Office, (v) if sent by a national recognized commercial courier service, return receipt requested for next day delivery, to be confirmed in writing by courier, or (vi) by hand delivery, upon confirmation by signed receipt provided the notice is delivered to the address and individual set forth below. The address and individual to whom such notice shall be sent may be changed from time to time upon written notice to the other party in the manner set forth herein.

- a. All notices to GICH shall be sent to:

Grand Itasca Clinic and Hospital
Attn: Gretchen Danielson, VP, Strategy and Development
1601 Golf Course Road
Grand Rapids, MN 55744
Email: Gretchen.Danielson@fairview.org

With a copy to:

Fairview Health Services
Attn: Supply Chain Contracting
2450 Riverside Avenue
Minneapolis, MN 55454
Email: SCContracting@GICH.org

- b. All notices to Vendor shall be sent to:

City of Grand Rapids
Attn. Thomas Pagel
420 N Pokegama Avenue,
Grand Rapids, MN 55744
Email: TPagel@grandrapidsmn.gov

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates below.

XVIII. Signatures & Addresses.

**GRAND ITASCA CLINIC AND HOSPITAL
1601 Golf Course Road
Grand Rapids, MN 55744**

**CITY OF GRAND RAPIDS
420 N Pokegama Avenue,
Grand Rapids, MN 55744**

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Name: _____

Title: _____

Date: _____

Exhibit A

Security Services

1. Vendor's Personnel:

Vendor's personnel will determine the reasonable means and manner by which the security services under this Agreement are accomplished and will furnish all materials and non-lethal equipment necessary for the Security Officers to provide the security services. However, GICH will provide all necessary radio booster equipment needed to communicate with the Itasca County Armer 800 MHz public safety radio system. Vendor's personnel shall not be entitled to receive or accrue any employee benefits GICH may make available or provide its employees, including, but not limited to, health care insurance benefits, workers compensation insurance, vacation benefits, paid holidays, paid sick leave and paid disability leave, and are not entitled to participate in any GICH benefit plan.

2. Services Provided:

Vendor shall provide qualified, uniformed personnel ("Security Officers") to provide security services for GICH's Premises. At least one Security Officer, Police Officer or Community Assistance Officer shall be present on the Premises 24 hours per day, 7 days per week, including holidays. A Police Officer or the Community Service Officer will only fill the role of the Security Officer at times when no Security Officer in the unit is available to provide the service to GICH. This shall also occur when Vendor and GICH realize the need for extra coverage during higher risk situations. Vendor and GICH have agreed to add additional coverage to be scheduled to assist with administrative duties for the Security Lead Officer and to obtain a safer environment for patients and staff by increasing officer presence throughout the Premises on scheduled days. Therefore, there will be scheduled times of two Security Officers working in conjunction. The Security Officer unit will attempt to maintain 4 Security Officers at a grade 7 wage schedule and 1 Security Officer Lead at a grade 8 wage schedule. A pool of part-time Security Officers will also be maintained at a part-time wage schedule including COLA increases. The schedule for these hours will be mutually agreed upon in writing by both parties. Exceptions may be necessary for occasional times to allow for position vacancies, training sessions and unforeseen Security Officer unavailability due to illness, and the like, or if contractor vacancies result due to report of unsatisfactory Security Officer performance from the GICH.

Typical security duties will include, but are not limited to: maintaining a safe orderly work environment, monitoring the entry and exit of individuals from the Premises, inspecting facilities to ensure doors, windows and roofs are secure, protecting property and promoting theft prevention through Security Officers' physical presence while making security checks throughout the Premises, reporting of unusual conditions to the proper personnel including law enforcement, maintaining security logs, and writing reports. Under no circumstances will Security Officers be expected to perform the duties of GICH's regular employees. Security Officers shall attend court hearings, if necessary, when witness to an act or deed, which requires the presence at such hearings.

3. Training and Qualification:

Vendor shall ensure all Security Officers providing services to GICH under this Agreement have been sufficiently trained in protecting GICH's Premises, GICH's personnel, patients and visitors from harm, to the extent possible. In addition, Vendor agrees GICH may require Vendor and/or Security Officers to undergo training on GICH-specific policies and procedures, determined by GICH to be required for the provision of services under this Agreement.

Vendor shall see to it all Security Officers provided under this agreement have obtained all proper licenses. All Security Officers provided by Vendor shall wear the Grand Itasca Hospital and Clinic identification card, the uniform provided by the Grand Rapids Police Department, and possess a valid Minnesota driver's license or Minnesota identification card issued by the Minnesota Department of Public Safety. If driving is a requirement of Security Officers, a valid Minnesota driver's license is mandatory.

All Security Officers shall have satisfactorily passed a criminal and employment background check in accordance with the City of Grand Rapids employment policies. In addition, Vendor shall verify that no Security Officer providing security services under this Agreement is excluded from participation in Federal Health Care Programs by querying the Officer of Inspector General Online Database, available at <https://oig.hhs.gov/exclusions/index.asp>.

All Security Officers shall possess a high school diploma or GED equivalent, and shall have the ability to speak, read, and write the English language; understand and carry out oral and written directions, write accurate and clear reports; monitor environmental and electronic security systems. All Security Officers assigned work under this Agreement shall have a physical examination and be in good physical condition, which enables him/her to perform the full range of security work. Security Officers must be fully capable of performing work requiring moderate to arduous physical exertion under either normal or emergency conditions, in accordance with current City of Grand Rapids employment policies.

Vendor shall provide to GICH, upon request, evidence that all Security Officers assigned to the Premises under this Agreement have passed a pre-employment drug screening examination in accordance with current City of Grand Rapids approved hiring practices. Security Officers shall be mentally alert and capable of exercising good judgement, following instructions, and assimilating necessary specialized training.

Security Officers assigned to the Premises shall also have undergone the following training and shall keep all certifications as to such training current during the term of this Agreement:

1. Met Vendor required physical fitness standards
2. Met Vendor required defensive tactics standards
3. Be a certified TASER operator
4. The City of Grand Rapids employment policies, as well as, the GICH's policies.

Vendor shall ensure that while on duty the Security Officer possesses only Vendor approved equipment including but limited to:

- Soft body armor
- Handcuffs
- Flashlight
- Gloves
- TASER
- Portable Radio
- Chemical Agents (Pepper Spray)

All such equipment shall be furnished by Vendor.

The Security Officer shall be prohibited from the following unless on an authorized work break:

1. Listening to any audio/visual equipment or other audio medium that is not directly job related.
2. Reading materials that are not job related.
3. Use telephones or electronic devices that are not job related.
4. Entertaining personal visitors unless preauthorized by the Vendor in consultation with the GICH.
5. The Security Officer shall at all times adhere to all employment policies of the City of Grand Rapids.

Security Officers shall contact local law enforcement or emergency personnel as needed following the applicable Vendor's and GICH's notification procedures.

For any incident which result in Vendor's personnel contacting emergency services including, but not limited to, police, fire or medical, Vendor shall, no later than the next business day, contact the GICH regarding the incident which prompted such call. Except for ongoing investigations, within three (3) business days after the incident, Vendor shall provide to GICH a written summary of the incident while following appropriate privacy protocols, unless prohibited or restricted by Minnesota Data Practices Act Ch. 13, as may be modified from time-to-time.

GICH shall have the right to request disciplinary action for any Security officer found to be in violation of any of these requirements. Any request by the GICH for disciplinary action for a Security Officer shall be followed up on by the Vendor initiating an investigation into the circumstances that initiated the request by the GICH. This investigation shall follow current Vendor internal investigatory and disciplinary procedures.

4. Supervision:

Vendor shall adequately supervise its Security Officers assigned under this Agreement. "Adequately supervise" includes but is not limited to: insuring staffing levels are met, insuring prompt Security Officer arrival and attendance, noting security personnel work habits, insuring personnel neat and professional appearance. Vendor shall designate a "Security Officer Supervisor" that GICH shall communicate with regarding concerns over Security Officer performance under this Agreement.

GICH shall designate a person or persons to coordinate with the Security Officer Supervisor regarding the performance of the obligations under this Agreement. During the term of this Agreement, the parties agree to meet on a regular basis as needed to review the security services and Vendor's performance under this agreement.

If unsatisfactory performance or behavior is observed by GICH's personnel, the GICH shall communicate the matter to the Lead Security Officer and/or the Grand Rapids Police Captain to attempt to rectify the situation. In the event such unsatisfactory performance or behavior cannot be reasonably rectified, GICH shall have the right to request Vendor to remove any Security Officer from providing service under this Agreement.

5. Payment:

The annual cost to GICH for the security services provided by Vendor shall be as outlined below:

- For the year 2024= \$60,000 "Fee:"
- For using the contract year of 2024 as the base year, Vendor shall have the right for each year thereafter to increase their annual administration fee to GICH by no more than ten (10%) annually.