

AGREEMENT

To:

Melissa Haas
Human Resources Manager
City of Apple Valley
7100 147th Street West
Apple Valley, MN 55124
952-953-2548

For:

On-Call
Loss Control Services
February 2, 2016

From:

Michael Holmquist, MS
President
Integrated Loss Control, Inc.
5985 Rice Creek Parkway
Suite102
Shoreview, MN 55126
651/633-6525

**Agreement
On-Call
Loss Control Services**

DATE: February 2, 2016

CLIENT: City of Apple Valley
7100 147th Street West
Apple Valley, MN 55124

CONTACT: Melissa Haas
Human Resources Manager

PROJECT: On-Call Loss Control Services

AGREEMENT PERIOD:

1- Unless sooner terminated in accordance with this Agreement, ILC and City of Apple Valley, will have the following Agreement period:

Start date: December 1, 2015 through November 30, 2016

2- During the Agreement period there will be quarterly evaluations of the services provided and the requests of service to ensure expectations are met.

3- This Agreement is solely between ILC and City of Apple Valley; and there is no obligation in whole or in part to any third party.

SCOPE:

Integrated Loss Control, Inc., (ILC) is a professional Loss Control Services firm which provides quality services in Health and Safety, and Risk Assessment/Risk Management Services. City of Apple Valley can request ILC to provide an estimate of cost for any service area or combination of services identified within the Agreement. ILC will respond with a cost estimate in the form of a ***Service Memo / Estimate***, which restates the service requested, lists the cost and has a signature line for approval by a City of Apple Valley representative. This document will be emailed or faxed to City of Apple Valley and if agreeable, signed by City of Apple Valley and emailed or faxed back to ILC. This serves as authorization for ILC to begin work. All conditions within this Agreement are in force on all service requests during the Agreement period. This Agreement provides ready access to ILC for the delivery of selected, pre-approved, services identified within this Agreement. ILC in essence becomes an extension of City of Apple Valley's Loss Control Program.

STAFFING: ILC will provide qualified professionals as needed to meet the nature of the service request.

SERVICE LEVEL

ILC agrees that it will provide services of a high quality in a prompt and efficient manner to City of Apple Valley.

GENERAL CONDITIONS:

- 1 It is understood that City of Apple Valley has retained ILC as a whole company and therefore will receive the benefit of all applicable resources.
- 2 ILC staff may need to work off-site at the ILC office on occasion.
- 3 Whenever ILC staff are required to change a scheduled on-site visit, the affected parties will be notified as far in advance as possible.
- 4 City of Apple Valley will provide ILC staff with adequate office space for those times they are required to work on-site.
- 5 Standards regarding reaction time to requests for service or timeliness of reports:
Upon request for service, ILC will make an initial contact with City of Apple Valley within 24 hours excluding holidays and weekends. Following this contact, a mutually agreed upon date and time for the services will be arranged.
- 6 Release and timeliness of reports.
All reports generated through this Agreement will be made directly to City of Apple Valley. Detailed reports will be generated within 10 working days of the receipt of final information pertinent to the report (eg. lab results).
- 7 Agreement Administrator.
The Agreement Administrator for City of Apple Valley is Melissa Haas, Human Resources Manager.
The Agreement Administrator for ILC is Michael Holmquist, MS, President.
NOTE: All services provided by ILC through this Agreement are to be coordinated through Melissa Haas or as designated.

CONFIDENTIALITY/OWNERSHIP OF MATERIALS AND INTELLECTUAL PROPERTY RIGHT

As a result of rendering services under this Agreement ILC will learn the identity of key employees of the City of Apple Valley and will learn about the nature of the work performed, and results achieved by the City and the procedures, systems, forms, and methodologies utilized by the City in its business. This information constitutes confidential, proprietary information of the City of Apple Valley. ILC shall not use, divulge to, or disclose to any person or entity, without written consent of an officer of the City, any Confidential Information unless legally required to do so. In addition to and not to the exclusion of any other rights which the City may have, the City shall be entitled to seek injunctive relief to restrain any threatened or actual breach

of ILC's obligations under this Section. The terms of this Confidentiality/Ownership of Materials and Intellectual Property Right section shall survive the termination of this Agreement.

As a result of using the services of ILC under this Agreement, the City of Apple Valley will learn the identity of key ILC employees and will learn about and receive (purchase) procedures, products (hard copy and/or electronic), equipment, forms, and methodologies utilized by ILC in its business. This information is for the sole use of the City and constitutes confidential, proprietary information of ILC. The City of Apple Valley shall not use, sell, divulge to, or disclose to any person or entity, outside the scope of this Agreement, any confidential information without written consent of an officer of ILC. The terms of this Confidentiality/Ownership of Materials and Intellectual Property Right section shall survive the termination of this Agreement.

ILC and the Client agree that the Client will own and have the right to use, reproduce and apply as it desires, any data, reports, analyses and materials which are collected or developed by ILC or anyone acting on behalf of ILC which are uniquely and specifically conceived or created by ILC or anyone acting on behalf of ILC which arise out of the performance of this Service Agreement.

ILC IS AVAILABLE TO PROVIDE THE FOLLOWING GENERAL SERVICES

PROGRAM STRATEGIES

ILC will, upon request, assist in developing Loss Control strategies, working with top management to determine the level of program necessary to accept, transfer or eliminate risk of loss.

ILC will, upon request, provide services such that the following general **Loss Control Activities/Services** are readily available.

HEALTH AND SAFETY COMPLIANCE

GENERAL RESPONSIBILITIES CAN INCLUDE:

Upon specific request, detect and monitor facility conditions that may adversely affect the health of employees and/or violate applicable laws, and to effect or recommend corrective measures.

Review and develop safety programs and to upgrade implemented accident prevention procedures and programs. Assist in reviewing and maintaining records required by federal, state and local laws and those required by City of Apple Valley.

SPECIFIC SERVICE AREAS:

PROGRAM REVIEWS - review existing compliance programs and identify those compliance programs absent, making recommendations as needed, (ex: AWAIR, Hazard Communication/ Right-To-Know, Respiratory Protection Program, Forklift Operations, Workers' Compensation, etc.)

HEALTH & SAFETY PROGRAM – assist with providing the development, implementation, maintenance and training required to meet federal, state and local occupational safety regulations.

EMPLOYEE HAZARD COMMUNICATION – assist with providing the development, implementation, maintenance and training required to meet federal, state and local occupational safety regulations.

OTHER PROGRAMS – assist with providing the development, implementation, maintenance and training required to meet federal, state and local occupational safety regulations.

INCENTIVE PROGRAMS - assist with the development, implementation and maintenance as applicable.

WORK ENVIRONMENT ASSESSMENT – assist with providing physical hazard assessment, conduct selected industrial hygiene evaluations (sampling for air contaminants, hazardous substances, harmful physical agents or infectious agents), ergonomic analysis, noise surveys and general environmental assessment.

EMERGENCY ACTION PLAN - assist with the development, implementation, maintenance and applicable training. Ensuring that OSHA and applicable Pollution Control Agency requirements are met with the same program.

SAFETY TEAM (Committee) - Assist with the training and facilitating of the safety committee.

TRAINING PROGRAMS - Provide training such as, but not limited to:

- Employee safety training
 - employee Hazard Communication/Right-To-Know
 - manual material handling/back injury prevention
 - respiratory protection
 - repetitive motion (carpal tunnel)
 - lockout/tagout
 - hazard recognition
 - forklift operations
- Health and Safety Program Administrator Program
- Supervisory safety training
 - accident analysis
 - job safety awareness
 - job safety analysis-JSA
 - accident investigation
 - motivational techniques
 - ergonomic (worksite design)
 - training and communication skills

SERVE AS A RESOURCE - regarding applicable laws and regulations.

COMPLIANCE REVIEWS - schedules allowing, participate during regulatory inspections of the company.

PROVIDE OTHER HEALTH AND SAFETY SERVICES AS REQUESTED

Fleet Safety and Compliance

ILC staff, upon request, can provide Fleet Safety and Compliance Services. Such Services can include, but are not limited to the following:

- Train Staff Who Have Been Assigned Fleet Administrative Responsibilities
- Conduct DOT Administrative Compliance Audits
- Assist with Post DOT Audit Abatements
- Auditing – Perform Periodic Internal Administrative Recordkeeping Audits
- Drug Testing Compliance Assistance
- Driver Log Audits
- Vehicle Licensing and Permitting
- Fuel and Mileage Tax Reporting
- Monitor Driver Hours of Service, Monitor Driver Qualification Files
- Post-Accident Assistance (reporting, insurance claims, drug & alcohol testing)
- Driver Training and Special Meetings (relating to administrative requirements)
- Driver Recruiting Assistance, Orientations
- Monthly Monitoring of Safety Management Systems (SMS) Scores
- Coach and Tutor Staff to Enable Meeting Assigned Responsibilities
- On-site or Web based Training (annual training days, special topics, etc.)
- Provide a Customized Fleet Safety & Compliance Program eModule (client server based)
- Analysis of Motor Vehicle Accident Trends (set goals, action steps, based on such data)
- Establish Key Sustainable Program Elements (equipment controls, accident reporting, accident review, vehicle maintenance, driver selection criteria, drug & alcohol testing, etc.)
- Provide Customized Educational Bulletins (monthly Fleet Safety “Prompts”, specific to need, etc.)
- General Consultation

PROVIDE OTHER FLEET SAFETY AND COMPLIANCE SERVICES AS REQUESTED

OVERALL RISK ASSESSMENT SERVICES

ILC can, upon request, help identify risk exposures and the scope of those exposures, and determine the existence and extent of controls to those exposures. ILC can conduct loss analysis, suggest improvements to controls, and assist in their implementation.

Risk Assessment Surveys and Reporting

- Evaluate exposures and the scope of those exposures
- Determine the adequacy of controls to major exposures

- Suggest administrative and engineering improvements to existing controls
- Assist in implementing controls to exposures
- Develop loss data and analyze losses to determine loss trends
- Provide a detailed evaluation for underwriting purposes in a timely manner
- Provide photographs and building diagrams
- Service for multiple lines of insurance coverage (Workers' Compensation, Fire, Crime, General Liability, Products Liability, Fleet, Builder's Risk, Pollution)

Occupational Injury/Illness Management

- Analyze past losses to determine loss trends and, the base cause of loss
- Analyze existing programs (AWAIR, Confined Space, Lockout/Tag out, Bloodborne Pathogens)
- Formulate loss reduction plans through training
- Analyze production materials flow, and perform workstation design reviews
- Conduct a Multi-Dimensional Job Analysis
- Assist in establishing or refining loss prevention programs and training personnel in loss analysis
- Establish Medical Case Management programs that will reduce duplication of effort and assist in cost containment strategies
- Assist in establishing a Timely Notice of Loss process
- Establish an Early Return to Work program that will assist in effectively managing claims

General Liability Evaluations (ILC may coordinate services with partner participation)

Our evaluations can help enable underwriting to be more informed on the risk transfer process or exposures to and from the general public.

Accident Investigations

City of Apple Valley management, claim managers and legal counsel call upon ILC to provide the necessary resources to deliver timely, quality accident investigation services.

Mold Evaluations

Our indoor air quality services are available to assist in meeting your needs relating to identifying, evaluating and controlling potential exposures to molds and other potential airborne contaminants.

Workers' Compensation Cost Containment

City of Apple Valley and the insurance company can, upon request utilize ILC to assist with:

I. Disability Management: identify and assist with early intervention and disability management activities which can include:

- Employee return-to-work opportunities
- Organizational and administrative functions which can be integrated to minimize costs related to claims
- Working with medical providers (Managed Care Provider coordination)
- Training managers and supervisors

- Development of return-to-work policies and procedures
- Workers' compensation case screening
- Perform factual research to determine the legitimacy of workers' compensation claims brought by employees
- Assist in preparing for workers' compensation hearings on litigated matters

II. Job Evaluations: help conduct special job analysis to identify:

- Health and safety concerns which will aid you in returning injured employees to work
- Proper placement opportunities of individuals in jobs that match their physical, mental and emotional make-up, without endangering their health and safety or that of others
- Potential work design elements that may result in either acute injury or repetitive trauma disorders
- Job accommodations and position description development which can be made to meet the requirements of the Americans with Disabilities Act (ADA)

III. Educational Services: specialized training and workshops covering such topics as:

- Workers' Compensation issues
- Developing the knowledge and skill to manage your workers' compensation program
- Opportunities for the prevention of occupational injuries and non-occupational injuries which may affect your workforce
- Statutory rules, collective bargaining Agreements, policy changes and management information necessary to more effectively implement a workers' compensation program
- Back injury prevention presentations which can be tailored to individual worksites

Support Services

ILC can, upon request, offer alternative support resources to City of Apple Valley. By virtually being down the hall, Support Services can assist in performing many administrative duties and other tasks, such as, but not limited to:

Create Presentations and Presentation Materials/Handouts	eSystem Updates
Q&A regarding products you've purchased	Special Project Assistance
Update ILC Training Programs	SDS/ MDSD Management
Customized Media Development	Format Documents
Form Creation and Revision	Data Entry
Document Scanning	Electronic File Organization
Copying	Create Spreadsheets
Editing/ Proof-reading	Etc.
Compose Correspondence	

COST OF SERVICE

The City will be billed at an hourly rate determined by the nature of the service requested. ILC will provide a **Service Memo/Estimate** for prior approval based on ILC's applicable rates.

REIMBURSABLE EXPENSES:

- If requested by the City that ILC staff have to travel out of town, meals, lodging and mileage would be paid according to ILC's current reimbursement rates which will be provided on the Service/Memo Estimate for approval.
- If requested by the City that ILC staff attend a special seminar at a time and place specifically relating to this Agreement, any cost for registration, materials, travel, lodging etc., will be itemized on the Service/Memo Estimate for approval.
- With prior approval of the City, ILC will be reimbursed for supplies it purchases for activities related to this Agreement. Normally supplies will be obtained through the City.
- When ILC is requested to use its technical equipment such as industrial hygiene monitoring equipment and various audio visual equipment, ILC will invoice a basic use fee for the period of time the equipment is used. Prior approval will be obtained before such a cost is incurred.
- Questions regarding expenses will be brought to the attention of the individual responsible for the service request.

PAYMENT:

Payment requirements may vary depending on the nature of the service request, ILC may invoice City of Apple Valley at the beginning of a month, at the end of a month for work in progress or invoice on a structured payment plan. In any case payment is due ILC within 30 days of the invoice date. Any amount unpaid after 30 days will be subject to a 5% late fee and finance charges at the rate of 18.00% per annum. ILC will identify the payment method necessary as part of each *Service Memo / Estimate*.

INSURANCE:

ILC shall maintain, at its expense, the following minimum insurance coverage:

- (a) Workers' Compensation;
- (b) Commercial general liability insurance
- (c) Professional errors and omissions insurance

ILC shall require its employees to maintain the minimum level of automobile insurance coverage required under Minnesota law.

INDEMNIFICATION:

ILC shall defend, indemnify and hold City of Apple Valley harmless from any and all claims, liabilities, judgements, losses, damages, costs and expenses (including reasonable attorney's fees) asserted against City of Apple Valley by any person or entity, or incurred by City of Apple Valley, arising out of any injury, illness, death, property or other loss or damage arising out of or in any manner related to any negligent act or omission on the part of ILC or any of its employees, agents, or independent contractors.

City of Apple Valley shall defend, indemnify and hold ILC harmless from any and all claims, liabilities, judgements, losses, damages, costs and expenses (including reasonable attorney's fees) asserted against ILC by any person or entity, or incurred by ILC, arising out of any injury, illness, death, property or other loss or damage arising out of or in any manner related to any negligent act or omission on the part of City of Apple Valley or any of its employees, agents, or independent contractors.

The party seeking indemnification (the "Indemnified Party") hereunder shall give the other party (the "Indemnifying Party"), notice of the occurrence of any event giving rise to indemnification rights hereunder. With respect to threatened or asserted claims of third parties, the Indemnifying Party shall have the right to control the defense of such claim by counsel of its own choosing, provided that the Indemnifying Party receives the consent of the Indemnified Party to the counsel chosen, such consent not to be unreasonably withheld. In any event, the Indemnified Party shall have the right at its own expense to participate in any claim, action or proceeding which is being defended by another party.

If the Indemnifying Party within reasonable time after notice of a claim hereunder fails to defend such claim, the Indemnified Party shall be entitled to undertake the defense, compromise or settlement of such claim at the reasonable expense of and for the account and risk of the Indemnifying Party subject to the right of the Indemnifying Party to cooperate in the defense of such claim at any time prior to the settlement, compromise or final determination thereof.

The Indemnifying Party will not, without Indemnified Party's written consent, settle or compromise any claim or consent to any entry or judgment which does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the Indemnified Party of a release from all liability with respect to such claim, provided, however, that should the Indemnified Party assume the control of the defense of a claim, the Indemnified Party shall have the authority to settle or compromise any claim or consent to any entry of judgment, without the Indemnifying Party's prior consent.

TERMINATION:

With or Without Cause: City of Apple Valley or ILC may terminate this Agreement in whole or in part, at any time with or without cause, a 30 days written notice is not required but would be appreciated.

Should the Agreement end early, an equitable adjustment shall be made to provide for termination settlement cost ILC incurs relating to commitments (relates only to such things as materials, equipment rental, laboratory costs, etc., does not relate to staffing) that had become firm before termination.

INDEPENDENT CONTRACTOR:

In rendering its service under this Agreement, ILC is and shall remain an independent contractor and neither ILC nor its employees shall be deemed to be an employee of City of Apple Valley. ILC shall be solely responsible for all payroll, withholding, unemployment, and other taxes and

all other employee liabilities of every kind and nature, whether in connection with this Agreement or otherwise. ILC shall defend, indemnify and hold City of Apple Valley harmless against all tax and related liabilities arising out of ILC's status as an employer. ILC's obligation to defend and indemnify City of Apple Valley under this Section shall survive the expiration or termination of this Agreement by either party for any reason.

NO AUTHORITY:

Neither ILC nor any of its employees or agents shall have any authority, right, or power to obligate, bind or commit City of Apple Valley in any respect, directly or indirectly, to any commitment, Agreement, liability or obligation, except as expressly approved in writing by an authorized representative of City of Apple Valley.

SURVIVAL OF TERMS:

The provisions of the Confidentiality/Ownership of Materials and Intellectual Property Right, Independent Contractor, and Indemnification sections and any other sections of this Agreement which are intended to remain in effect after the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement and remain in full force and effect thereafter.

NO ASSIGNMENT:

This Agreement is personal to ILC. Neither this Agreement nor any of ILC's rights, obligations, or duties under this Agreement may be assigned or delegated to any other party without the prior written consent of an authorized representative of City of Apple Valley.

AGREEMENT:

When signed by both parties, this is the Agreement upon which both parties will abide and which ILC will deliver the agreed upon services.



February 2, 2016

Integrated Loss Control, Inc.
Michael H. Holmquist
President

Date

for City of Apple Valley
Mary Hamann-Roland, Mayor

Date

Attest: _____
Pamela J. Gackstetter, City Clerk