

DEPARTMENT: County Counsel BY: Jeffrey G. Green PHONE: 966-3222

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes ___ No X)

Adopt this Resolution recommending an ownership change relative to Mercy Medical Transportation, Inc. In accordance with section 6 of the Agreement with Mercy, Mercy must notify the County and receive the County's consent when a transfer of ownership is desired. Steven Dickmeyer, who owns 50% of the company's interest, would like to sell his entire interest in Mercy. A Dan Brush is interested in purchasing 40% of that interest with Rick Roesch purchasing 20%, increasing his ownership to 60%. This change will not effect the service provided by Mercy.

Included in this package is a copy of Rick Roesch's request together with a copy of section 6 of the County/Mercy Agreement.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

None on this action.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

> Unsure of impact of negative action.

COSTS: (X) Not Applicable

A. Budgeted current FY \$ _____

B. Total anticipated costs \$ _____

C. Required additional funding \$ _____

D. Internal transfers \$ _____

SOURCE: () 4/5ths Vote Required

A. Unanticipated revenues \$ _____

B. Reserve for contingencies \$ _____

C. Source description: _____

Balance in Reserve for Contingencies, if approved: \$ _____

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:

Letter from Roesch dated June 26, 1997.
Copy of Section 6 of County/Mercy Agreement.

CLERK'S USE ONLY:

Res. No.: 97-367 Ord. No. _____

Vote - Ayes: _____ Noes: _____

Absent: _____ Abstained: _____

Approved _____ Denied _____

Minute Order Attached () No Action Necessary

ADMINISTRATIVE OFFICER'S RECOMMENDATION:
This item on agenda as:

Recommended

Not Recommended

For Policy Determination

Submitted with Comment

Returned for Further Action

Comment: _____

A.O. Initials: [Signature]

The foregoing instrument is a correct copy of the original on file in this office.

Date: _____

ATTEST: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: _____
Deputy

MERCY
Medical
Transportation
Inc.

ADMINISTRATION
P.O. Box 5004
Mariposa, CA
95338-5004
(209) 966-5762
FAX (209) 966-4901

June 26, 1997

Board Of Supervisors
Mariposa County
PO Box 784
Mariposa, CA 95338

Dear Board Of Supervisors,

My 50% partner J. Steven Dickmeyer, would like to sell his interest in Mercy Medical Transportation. I would like to buy 20% of his stock raising my ownership from 50% to 60%. The other 40% of the Company's stock would be purchased by Dan Brush. The change would effect stock ownership as follows:

	<u>Current</u>	<u>Proposed</u>
Richard F. Roesch	50%	60%
J. Steven Dickmeyer	50%	0%
Dan Brush	0%	40%

As per Section 6 of our contract we are required to request permission from the County before the transaction occurs. Therefore, we formally request your approval of this change in ownership.

The reason for the change is that Steve is working full time for Mercy Air in Southern California and does not have the time to devote to Mariposa. Dan on the other hand has been helping Mercy with billing and other administrative activities and wants to purchase Steve's shares.

I have known Dan since 1984 when I acted as his company's CPA. Dan has worked in the ambulance business since 1974. He founded his own Company in 1978 and worked there until 1996. His strengths are in billing and in administration. In his short time with our Company he has really contributed and made improvements in our administration.

This change will not effect my role in the Company at all. I will be doing all the same jobs I have always done it just means that I will not have to worry about billing and Administration. Thank you for your consideration of this matter.

Sincerely,



Richard F. Roesch
President

including but not limited to the items described in 3.0. above, shall at all times be maintained in full and optimal operating condition.

Failure of any such piece of equipment must be promptly addressed by either repair or replacement as soon as possible. Some equipment is more critical to the safe and prompt provision of ambulance service than others and will require immediate replacement. In the case of less critical items, when immediate replacement is not possible for reasons beyond the control of CONTRACTOR, repair or replacement must be accomplished no later than 24 hours after discovery.

CC. Twenty-Four Hour Service:

CONTRACTOR shall possess, maintain, and provide such equipment, facilities and supplies, and shall hire, train and provide such personnel, as are necessary to respond on a 24-hour basis to requests for EMTs. When so requested, CONTRACTOR shall respond as directed unless CONTRACTOR is incapable of thus responding, in which case CONTRACTOR shall immediately notify the County-approved dispatch agency, the Mariposa County Sheriff's Office, and the Mariposa County Health Officer or, in his absence, County Administrative Officer.

DD. Staffing

CONTRACTOR shall provide scheduling priority to CONTRACTOR employees who reside in Mariposa County. At least one (1) person on each ambulance shall have a thorough knowledge of the area being served by that ambulance including main roads and highways, prominent landmarks, and routing to area hospitals.

5. ALTERATION OF TERMS:

This AGREEMENT fully expresses all understandings of COUNTY and CONTRACTOR with respect to the subject matter of this AGREEMENT and shall constitute the total AGREEMENT between the parties for these purposes. No addition to, or alteration of, the terms of this AGREEMENT whether written or verbal, shall be valid unless made in writing and formally approved and executed by both parties.



6. DELEGATION AND ASSIGNMENT:

CONTRACTOR may not delegate or assign the rights or obligations hereunder, either in whole or in part, without prior consent of COUNTY. Any attempted assignment or delegation in derogation of this paragraph may result in

termination of the AGREEMENT by COUNTY. A transfer by any shareholder of greater than ten (10) percent of the stock currently issued by CONTRACTOR, other than to another shareholder, or a sale or transfer of over twenty-five (25) percent of the assets of CONTRACTOR, other than in the ordinary course of business, e.g., sale of vehicle or vehicles, will be deemed an assignment.

7. INDEMNIFICATION AND INSURANCE:

A. CONTRACTOR agrees to indemnify and hold harmless COUNTY, its officers, agents and employees from all liability, claims, losses and demands, including defense costs, whether resulting from court action or otherwise, arising out of the acts or omissions of CONTRACTOR, its officers, agents or employees, or the condition of property used in the performance of this AGREEMENT, excepting acts or omissions specifically directed by COUNTY, its officers, agents or employees, acting within the scope of their employment for which COUNTY agrees to indemnify the CONTRACTOR in a like manner.

COUNTY agrees to indemnify and hold harmless CONTRACTOR, its officers, agents, and employees from all liability, claims, losses, and demands, including defense costs, whether resulting from court action or otherwise, arising out of the acts or omissions of COUNTY, its officers, agents, or employees, or from any failure by COUNTY to comply with any provision of this AGREEMENT.

B. Without limiting CONTRACTOR's indemnification, it is agreed that CONTRACTOR shall maintain in force at all times during the performance of this AGREEMENT, comprehensive automobile liability insurance, professional liability insurance and worker's compensation insurance as required by applicable laws, and governmental rules and regulations, as follows:

- (1) Malpractice (professional liability) Insurance with a minimum of One Million Dollars (\$1,000,000.00) per occurrence.
- (2) General Liability Insurance in the amount of One Million Dollars (\$1,000,000.00) per occurrence.
- (3) Automobile Liability Insurance for all vehicles operating on behalf of the CONTRACTOR in the amount of One Million Dollars (\$1,000,000.00) per occurrence.

C. All insurance policies except Workers' Compensation and Employer's Liability and Professional Liability shall contain the following clauses: