

Opinion - Independent Counsel

Opinion from Attorney Ed Keeley:

I received the attached re-revised agreement from Stan Juhnke, Halstead's attorney, yesterday afternoon. It is the same as my recommended version which included my revisions (I sent you earlier) except for Section XVI (Term) which added back much of the language from Brad's last draft. The term under Juhnke's version would be three calendar years, but each party could notify the other by July 1 of the first two years whether end the agreement early. However, if that is done by Sedgwick, Sedgwick will be liable to Halstead for the entire \$450,000 of the contract (less any payments already made). On the other hand, if Halstead decides to end the contract early and stop providing EMS services to Sedgwick, Halstead will only be liable to Sedgwick for a one-time payment of \$50,000. In my opinion, that provision is not fair to Sedgwick and makes it much easier for Halstead to end the contract early, even though Sedgwick will be providing about \$50,000 worth of ambulances and equipment to Halstead up front. However, my job as legal advisor for the City is now done. If the Sedgwick City Council votes to accept and approve Juhnke's version (like they did Brad's version), then that is a policy decision, not a legal one.

XIII

Breach or Default

If either party believes the other has committed a material breach or default with respect to the terms and conditions of this Agreement, then that party shall give written notice to the breaching or defaulting party which includes the specific alleged violations of the Agreement. The breaching or defaulting party then shall have thirty (30) days after receipt of such written notice to correct or remedy the alleged Agreement violations before any legal action may be taken by the non-breaching party.

XVI
Term

- A. This Ambulance Services Agreement shall begin on January 1, 2018, at 12:01 a.m. and continue for a term of three calendar years through midnight on December 31, 2020. Unless both parties affirmatively decide (with written notice to the other) by July 1, 2020, to extend this Agreement, the Agreement shall automatically terminate at the end of its three-year term. However, if both parties affirmatively decide (with written notice to the other) by July 1, 2020, to extend this Agreement, then it shall be extended for another calendar year through midnight on December 31, 2021, with the same provisions and conditions set forth herein.
- B. At the end of the three-year term of this Agreement (and the one-year extension if applicable), both parties shall cooperate in the transition away from their contractual relationship, unless a new agreement is reached between these parties regarding emergency medical services.