

Purchase Contract #T08-053-01

CONTRACT MODIFICATION

This MODIFICATION OF PURCHASE CONTRACT #T08-053-01 (herein after the “**Modification**”) is entered into by and between the CITY OF TEMPE, a municipal corporation (hereinafter “**City**”) and PMT Ambulance (hereinafter “**Contractor**”), this _____ day of _____, 2010.

RECITALS

- A. **WHEREAS**, the City and Contractor are parties to Purchase Contract #T08-053-01, effective May 8, 2008 (collectively hereinafter “**the Agreement**”) attached hereto as Exhibit A;
- B. **WHEREAS**, the City and Contractor renewed the Agreement for an additional twelve months, effective May 8, 2010, as provided for in Section 2, Paragraph 2 (Term of Contract) of the Agreement under the same previously agreed upon terms and conditions.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties as are more particularly set forth in the Agreement attached hereto as Exhibit A, the same be and is hereby adopted and incorporated by this Modification as follows:

- 1. Section 2, paragraph 1 (Scope of Work) shall be amended as follows:

- 1) **Scope of Work**

Contractor will be required to provide all services with six (6) Dedicated Ambulances at the ALS level of service. Additionally Contractor will provide automatic aid and mutual aid services, contract services specifically included in this agreement, communications and dispatch services as required in accordance with the EMS System and this Contract. Such automatic aid system response will be limited to the approved service area of C.O.N. #71. Contractor may not furnish standby coverage for special events or conduct inter-facility transfers with Dedicated Ambulances. Contractor may not use any Dedicated Ambulance, equipment or personnel of the Tempe required EMS System to provide services for any such purposes not permitted by this Contract.

- 2. Section2, paragraph 2 (Term of Contract) shall be amended as follows:

- 2) **Term of Contract**

The initial term for this contract will be for a term of two (2) years, with three (3), twelve (12) month extensions. Any such twelve (12) month extension shall be at

the sole discretion of the City and each renewal shall be presented to and authorized by the City Council prior to such renewal being effective.

The initial term shall begin on the Commencement Date pending approval by ADHS. The Commencement Date was May 8, 2008. The first twelve (12) month extension shall commence on May 8, 2010 after review and approval of ADHS. Any future extensions, amendments, or renewals of this contract shall commence after review and approval by ADHS.

3. Section 2, paragraph 11 (City Medical Transportation Coordinator) shall be voided and no longer considered enforceable by the parties.
4. Section 2, paragraph 20 (Dispatch Center / Communications Center) shall be amended as follows:

20) Dispatch Center / Communication Center

The City currently uses the PFDRDC for Tempe Fire Department emergency dispatch services. Contractor is required to use PFDRDC for all dispatching and reporting functions. Upon execution of a contract or IGA between the City of Tempe and the City of Phoenix, the Contractor shall completely reimburse the City for the ability to interface with the PFDRDC and any City of Tempe communications center on the Dedicated Ambulances and at the Stations including the installation, operation and maintenance of necessary equipment for the term of the contract. Such reimbursements from Contractor shall be made to the City on a quarterly basis.

5. Section 2, paragraph 23 (Contractor Provided Ambulances) shall be amended as follows:

23) Contractor Provided Ambulances

Contractor must meet the City's minimum requirements for six (6) dedicated Type III ambulances.

Contractor must provide six (6) Dedicated Ambulances for ALS Service and each of these dedicated ambulances must meet or exceed ADHS requirements for Ambulances providing ALS services. In the event that the City determines that it is in the best interest, upon 30 days written notice from the City and approval by ADHS, Contractor will agree to replace four (4) Dedicated Ambulances for ALS Services with four (4) Dedicated Ambulances for BLS Service and each of these Dedicated Ambulances must meet or exceed ADHS requirements for Ambulances providing BLS services. Additionally, each Dedicated Ambulance must, at all times, meet the requirements listed in Exhibits A, B, and C attached hereto.

Each Dedicated Ambulance will have a digital cellular telephone pre-programmed with all phone numbers needed for medical communications. Programming shall be updated from time to time to reflect the needs of the City and Contractor at Contractor's expense.

Ambulances must meet all applicable Federal, State and local requirements and it shall be the responsibility of the Contractor to assure appropriate certifications from ambulance manufacturers and to assure that all Ambulances are operated within Federal (U.S. Department of Transportation), State (Arizona Department of Health Services and other State of Arizona agencies imposing requirements) and local guidelines (City, Fire Department and all other applicable local guidelines and requirements). Guidelines include all applicable limitations on gross vehicle weight.

Substitute Ambulance in the place of Dedicated Ambulances shall be similarly equipped as the Dedicated Ambulances. Use of Substitute Ambulances for periods greater than twelve (12) hours shall require notification by Contractor to the Medical Services Deputy Chief or his/her designee.

Contractor shall monitor and be responsible for, through their established maintenance program, the condition, safety and reliability of all Dedicated Ambulances. Contractor shall be responsible for maintaining current maintenance records and such records shall be available to the City upon request. Dedicated Ambulances that accumulate for one hundred seventy-five thousand (175,000) miles or reach sixty (60) months in total service time shall be replaced by new ambulances at contractor's expense. Contractor has sixty (60) days from the date of either mileage or age occurrence to replace the identified ambulance with a new ambulance.

The Dedicated Ambulances must be stationed in the Primary Service Area on a twenty-four (24) hour a day, seven (7) days a week basis. The Dedicated Ambulances shall be stationed as follows:

- i) One (1) ALS Dedicated Ambulance at Tempe Fire Station 276;
- ii) One (1) ALS Dedicated Ambulance at Tempe Fire Station 271; and
- iii) Four (4) ALS (or BLS upon the City's written request) Dedicated Ambulances at Contractor's Stations that are located within PSA

This requirement is necessary to permit such Dedicated Ambulances to meet Response Time Requirements.

Any sub-operation station established under this contract will meet the requirements of A.R.S. 36-2232(C).

6. Section 2, paragraph 26 (Contractor's Ambulance Crews) shall be amended as follows:

26) Contractor's Ambulance Crews

For ALS Dedicated Ambulances billeted at Tempe Fire Stations, the Contractor shall staff each with one EMT-B Qualified Driver and the City shall at its sole discretion staff with one (1) Firefighter Paramedic or one (1) Civilian Paramedic. If the City determines it is unable to provide either a Firefighter or Civilian Paramedic for any period of time, upon receipt of 10 days written notice by the City, Contractor agrees to staff one, or both, billeted Ambulances with one (1) EMT-P employee.

For all ALS Dedicated Ambulances not billeted at Tempe Fire Stations, the Contractor shall staff each with no more than two (2) Contractor employees—one (1) employee shall be an EMT-P and the other employee either an EMT-B qualified Driver or EMT-P Qualified Driver.

If the City should request BLS Services, Contractor's BLS Dedicated Ambulances are to be staffed by no more than two (2) Contractor employees—one (1) employee will be an EMT-B and the other employee an EMT-B Qualified Driver.

Contractor shall have control over all personnel staffing its ambulances, and is responsible for establishing the ambulances staffing schedule for all individuals under its control, including City Firefighter Paramedics and Civilian Paramedics. Contractor has the right to refuse particular City personnel as necessary.

Contractor agrees to reimburse City for all costs of either Firefighter Paramedic or Civilian Paramedic provided by City. The costs for a Firefighter Paramedic, or for a Civilian Paramedic, shall not exceed \$79,593.50 including salary, benefits and overtime. Any increases in these costs shall not exceed the percentage allowed in A.R.S. 36-2234(E). At the Commencement Date, the City will use Civilian Paramedics. The City shall notify the Contractor no later than ninety (90) days prior to the first day of the change, if the City intends to switch either from Firefighter Paramedic to Civilian Paramedic, or vice-versa.

7. Section 2, paragraph 30 (Payment for Use of City Fire Stations) shall be amended as follows:

30. Payment for Use of City Fire Stations

Contractor's use of City Fire Stations for billeting of Dedicated ALS Ambulances includes apparatus room space for parking one (1) Dedicated Ambulance at each designated Fire Station and use of the Fire Station facility for Contractor's EMT. Contractor will pay the City two thousand four hundred dollars (\$2,400) per month per station for the use of these areas of the Fire Station.

For Dedicated Ambulances providing ALS services, Contractor shall be required to billet one (1) ALS Dedicated Ambulance each at Fire Station 276 and at Fire Station 271.

At all City Fire Stations where ambulances are not billeted, City shall provide areas for Contractor to post ambulances, providing protection from the elements for the vehicle and personnel. Contractor will pay the City one thousand dollars (\$1,000) per month for use of these areas of the Fire Station.

When using a Fire Station, Contractor's employees shall comply with the Fire Department's rules, regulations and standard operating procedures.

Any change in the lease amounts in this section will be considered an amendment to the contract and subject to ADHS approval.

8. Section 2, paragraph 36 (Contract Administration) shall be amended as follows:

35) Contract Administration

The Contract Administrator for the City for the Contract is the EMS Chief and/or his or her designees. Contractor shall be required to reimburse the City \$63,600 annually for contract administration. Any increase in this cost shall not exceed the percentage allowed by A.R.S. 36-2231(E). At a minimum, the City's dedicated personnel performing contract administration shall have responsibility for the following:

- a. Assuring compliance with the Contract.
- b. Developing and conducting scene training for Ambulance personnel.
- c. Participating in Contractor's Ambulance Personnel meetings (quarterly).
- d. Acting as liaison with the Contractor and medical facilities receiving patients.
- e. Researching and reporting to Contractor on ambulance services and transport.
- f. Performing field observations and reporting such observations to Contractor and the City.
- g. Monitoring of Response Times.
- h. Coordinating Ambulances coverage for identified events and Fire Department training
- i. Conducting customer (including patient) surveys and such other similar duties as are assigned by the City.
- j. Acting as primary liaison between the City and the Contractor in the problem resolution process.

9. Exhibit D to the Agreement shall be amended as follows:

EXHIBIT D

PAYMENT FOR FIRE DEPARTMENT SERVICES

Contractor agrees to pay City a fee for each ambulance transport for which a City firefighter or civilian paramedic provides any ALS services, including occasions

where both City personnel and Contractor's personnel both provide ALS. Compensation shall not be required where such transport is conducted in a Dedicated ALS Ambulance that is staffed with a City employed Firefighter Paramedic or Civilian Paramedic. The fee to be paid shall be the difference between the current ADHS approved ALS/BLS base rates in effect at the time service is rendered multiplied by the collection percentage. The collection percentage shall be calculated as follows, based on the most recent Ambulance Revenue and Cost Report (ARCR), filed with ADHS by July 1st each year, for all of the private ambulance providers used to determine the general public rate for the service area.

Collection Percentage is calculated from page 2 of the ARCR:

Line 10 Total Operating Revenue
 Less Line 11 Bad Debt
 Revenue Collected

Divided by
 Line 1 Ambulance Service Routine Operating Revenue (Gross)
 Collection Percentage

Example Collection Percentage calculation based on 2009 ARCRs filed by 7/1/2010 (current collection percentage)

	PMT	AMERICAN	SWA	R/M	TOTAL
Line 10	\$36,274,570	\$3,229,373	\$80,047,655	\$6,976,726	\$126,528,324
Line 11	\$5,102,035	\$510,595	\$14,781,077	\$1,078,924	\$21,472,631
Collected	\$31,172,535	\$2,718,778	\$65,266,578	\$5,897,802	\$105,055,693
Line 1	\$49,290,621	\$4,991,933	\$108,144,542	\$9,588,996	\$172,016,092
Collection Percentage					61.1%

IN WITNESS WHEREOF, the parties hereto have executed this Modification of Contract #T08-053-01 this _____ day of _____, 2010.

CITY OF TEMPE

By: _____
Hugh Hallman, Mayor

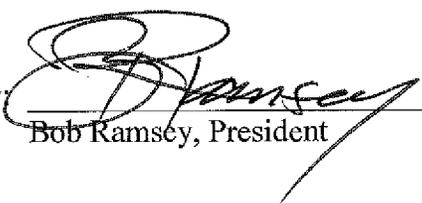
ATTEST:

Brigitta Kuiper, City Clerk

APPROVED AS TO FORM:

Andrew B. Ching, City Attorney

PROFESSIONAL MEDICAL TRANSPORT

By:  _____
Bob Ramsey, President