

**Arizona  
Department of  
Health Services**

***Division of Public Health Services***

*Office of the Assistant Director  
Public Health Preparedness Services*

150 N. 18<sup>th</sup> Avenue, Suite 540  
Phoenix, Arizona 85007  
(602) 364-3150  
(602) 364-3567 Fax

JANICE K. BREWER, GOVERNOR  
WILL HUMBLE, DIRECTOR

**GROUND AMBULANCE SERVICE CONTRACT  
APPROVAL NOTIFICATION  
Control No. 3609**

January 3, 2011

John G. Ford, Director of Contracts  
Southwest Ambulance of Casa Grande, Inc., dba  
Southwest Ambulance and Rescue of Arizona, Inc.  
708 W. Baseline Road  
Mesa, Arizona 85210

Dear Mr. Ford:

On December 20, 2010 the Arizona Department of Health Services, Bureau of Emergency Medical Services and Trauma System ("Bureau") received and began the review process of the following ground ambulance service contract:

- **Southwest Ambulance of Casa Grande, Inc., dba Southwest Ambulance and Rescue of Arizona, Inc. and the City of Goodyear.**

The Bureau has completed the review and the Department has determined that the contract is in compliance with your certificate of necessity and not in violation of any of its current terms and conditions. It is understood that Southwest Ambulance of Casa Grande, Inc., is responsible for the control, supervision, staffing, and scheduling of all ambulance personnel relevant to this contract.

Any future agreements, accords, covenants, extensions, amendments, contracts or instruments not addressed in this letter must be approved by the Department prior to implementation. Any automatic extensions exercised pursuant to the terms of the agreement must be approved by the Department for each successive extension after the original contract period identified within the agreement. Furthermore, the rates and charges, or other provisions specified in the contract, do not adversely affect any fixed rates or charges to the general public.

Therefore, pursuant to Arizona Revised Statute § 36-2232 and Arizona Administrative Code R9-25-1104 and R9-25-1201(C)(5) your contract is hereby approved effective the date of this approval letter. This approval is not directed towards the reimbursement formulas used in any manner and as such, the Bureau reserves the authority to challenge any future changes in financial support.

**Page 2 of 2**  
**Control No. 3609**

Contract reviews are designed to ensure the contract does not violate existing certificate of necessity, approved rates and charges, or current rules and statutes which govern Arizona ambulance services. This approval is only for such portion of that contract term as the ambulance provider holds a valid certificate of necessity.

If you have any questions please feel free to contact the Bureau of Emergency Medical Services and Trauma System Certificate of Necessity Section Manager at 602-364-3173 during normal business hours.

Sincerely,

A handwritten signature in cursive script, appearing to read "Terry Mullins".

Terry Mullins  
Bureau Chief

## **AGREEMENT FOR AMBULANCE SERVICES**

This Agreement for Ambulance Service ("Contract") entered into this 14<sup>th</sup> day of February, 2011, by and between the City of Goodyear, Maricopa County, Arizona ("City") and Southwest Ambulance of Casa Grande, Inc., dba Southwest Ambulance and Rescue of Arizona, Inc. ("Contractor"), (Certificate of Necessity #66) witness:

Whereas, Contractor desires to perform a vital service by providing ambulance service to the City of Goodyear and to its inhabitants; and

Whereas, it is the desire of City to provide to its inhabitants a superior standard of emergency medical care, including ambulance service seven days per week and 24 hours per day; now therefore, the Parties agree as follows:

### **Section 1. Permits, Licenses and CON.**

1.1 The Contractor shall be responsible for, and hold any and all required federal, state and local licenses and Certificates of Necessity (CON's) required to perform the duties under the Contract. In addition, the Contractor will make all necessary payments for licenses and permits to conduct its business and duties under the Contract. The Contractor will assure that all necessary renewals for required federal, state, and local licenses and CON's are made on time. The Contractor will be responsible for assuring that all of its personnel hold valid state and local certifications at the times required to meet the Contractor's responsibilities under the Contract.

### **Section 2. Contract Duration.**

2.1 The initial term of this Agreement shall be for a period of five (5) years. The term shall automatically renew for up to two (2) additional two (2) year terms unless either party provides written notice of its intent not to renew at least ninety (90) days prior to the expiration of the initial term or the renewal term, as applicable. The initial term shall begin on the Commencement Date pending approval by ADHS. The Commencement Date shall be 8:00 a.m.. on the date following the date on which the Agreement is approved by ADHS. Any extension or renewal of this Agreement shall not commence until after review and approval by ADHS.

### **Section 3. Services and Compensation.**

3.1 Contractor's Scope of Work is attached hereto and incorporated into this Contract. The parties acknowledge and agree that this Agreement shall only cover services within the City of Goodyear as described in this Agreement. Any Automatic Aid Services, long distance transfers, and interfacility transfers specified in the Agreement will either be within the City of Goodyear and covered by the Agreement or, if beyond the City of Goodyear boundaries, will be covered by Certificate of Necessity #66.

### **Section 4. Definitions.**

4.1 "ALS" shall mean advanced life support.

4.2 "Affiliate" of a specified person means a person who (a) controls, is directly or indirectly controlled by, or is under common control with, the specified person; (b) owns, directly or indirectly, ten percent (10%) or more of the equity interest of the specified person; or (c) is a general partner (if the specified person is a partnership), managing member or manager (if the specified person is a limited liability company), officer, director, non-financial institution trustee or fiduciary of the specified person or of any person described in clause (a) or (b); or (d) is a member of the immediate family of the specified person or the person described in clauses (a) through (c) above. A person shall be deemed to control another person for the purposes of this definition if the first person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

4.3 "Ambulance" shall have the meaning set forth in and meeting the requirements of A.R.S. § 36-2201 and which meets the additional requirements set forth in the Scope of Work part of this Agreement and, where indicated in the text of the Agreement, also meets the requirements set forth in Exhibits A, B, C and D of this Agreement.

4.4 "Ambulance Response" shall mean the response of an ambulance pursuant to Arizona Statutes and Rules, to a dispatch in connection with a services request that is a Code 3 Call and/or Code 2 Call.

4.5 "Arizona Department of Health Services" or "ADHS" shall mean the department of the State of Arizona responsible for regulating health services.

4.6 "Automatic Aid Contract Areas" shall mean all areas within and surrounding the City, in which the City has agreed to provide automatic aid services pursuant to Automatic Aid Agreement.

4.7 "Automatic Aid Services" shall mean the response of Contractor's ambulance(s), as the closest available unit with a Certificate of Necessity for the Automatic Aid Contract Area, to a dispatch from PFDRDC, or an equivalent, to a location beyond the Primary Service Area.

4.8 "Automatic Aid Agreement" shall mean the agreement between Phoenix Fire Department Regional Dispatch Center (PFDRDC), or an equivalent, and the City for the provision of Automatic Aid Services.

4.9 "BLS" shall mean basic life support.

4.10 "Captain" shall mean a member of the fire department serving in the position of captain.

4.11 "Certificate of Necessity (CON)" shall have the meaning as set forth in A.R.S. § 36-2201.

4.12 "City" or "Goodyear" shall mean the municipal corporation now existing and known as the City of Goodyear, Arizona.

4.13 "City Council" shall mean the governing body for the City.

4.14 "City Procurement Officer" shall mean the City's Procurement Manager (and any successor appointed by the City of Goodyear).



4.15 "Code 3 Call" shall mean a call for which the use of red lights and sirens are requested by the alarm room for ambulance response to the scene of an incident.

4.16 "Code 2 Call" shall mean:

- a. A call for which the use of red lights and sirens are not requested by the alarm room for Ambulance Response to the scene of an incident.
- b. A call in which the initial request by the alarm room was for a Code 3 Call, but was downgraded by the alarm room to a Code 2 Call prior to arrival on the scene of an incident.
- c. A call in which the initial request by the alarm room was for a Code 2 Call, but was upgraded by the alarm room to a Code 3 Call prior to arrival on the scene of an incident.

4.17 "Commencement Date" means the date designated as the date performance of service is set to begin in Section 2.1 of this Contract.

4.18 "Contract" includes this fully completed and executed agreement, and any other attachments referenced herein.

4.19 "Contractor" means Southwest Ambulance and Rescue of Arizona, Inc.

4.20 "EMS" shall mean emergency medical services as described in A.R.S. § 36-2201.

4.21 "EMS System" shall mean the system in which the City participates, describing certain emergency medical services and ambulance transportation services for the City and other participating cities, agencies, etc., in the Greater Metropolitan Phoenix Area or areas.

4.22 "Fire Chief" shall mean the department head for the City of Goodyear Fire Department.

4.23 "Fire Department" shall mean the City of Goodyear Fire Department.

4.24 "Firefighter" shall mean a member of the Fire Department with the firefighter employment designation.

4.25 "First Responder" means fire department personnel that provide immediate support services during prevention, response and recovery operations.

4.26 "Medical Director" means the base hospital physician who may provide authorized medical direction to the City of Goodyear EMS System in accordance with Arizona Administrative Regulation R9-25-204.

4.27 "Performance Bond" shall have the meaning set forth in this Contract.

4.28 "Person" means an individual, general or limited partnership, corporation, joint stock company, trust (including a business trust), unincorporated association, joint venture, limited liability company, governmental authority or other entity.

4.29 "Phoenix Fire Department Regional Dispatch Center" or "PFDRDC" or "Dispatch Center" shall mean the dispatch center at the City of Phoenix Fire Department.

4.30 "Primary Service Area" shall mean the entire area within the boundaries of the City contained within the Certificate of Necessity #66.

4.31 "Response Time" means the calculation of time beginning when a 911 call is received by Contractor and ends when the Contractor physically arrives on the scene of the incident and reports via radio or via MCT that Contractor is on the scene and ready to deliver Services as specifically defined in the Scope of Work.

4.32 "Response Time Requirements" shall have the meaning set forth in the Scope of Work part of this Contract.

4.33 "Station" shall have the meaning set forth in the Scope of Work part of this Contract.

## **Section 5. Indemnification.**

### **5.1 Indemnity by Contractor.**

a. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings) relating to or arising out of the negligent acts or omissions of Contractor, its employees, agents or any tier of subcontractors in the performance of this Contract.

b. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction or property including loss of use resulting therefrom, caused by any negligent acts or omissions in the performance of this Contract, including any employee of Contractor or any tier of subcontractor.

c. If any claim, action or proceeding is brought against the City by reason of any event that is the subject of this Contract and/or described herein, upon demand made by the City, Contractor, at its sole cost and expense, shall pay, resist or defend such claim or action on behalf of the City by attorney of Contractor, or if covered by insurance, Contractor's insurer, all of which must be approved by Contractor which approval shall not be unreasonably withheld or delayed. The City shall cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, at its own expense, the City may engage its own attorney to defend or assist in its defense. Any settlement of claims shall fully release and discharge the indemnified parties from any further liability for those claims. The release and discharge shall be in writing and shall be subject to approval by Contractor, which approval shall not be unreasonably withheld or delayed.

d. If Contractor neglects or refuses to defend the City as provided by this Contract, any recovery or judgment against the City for a claim covered under this Contract shall conclusively establish Contractor's liability to the City in connection with such recovery or judgment, and if the City desires to settle such dispute, the City shall be entitled to settle such

dispute in good faith and Contractor shall be liable for the amount of such settlements and all expenses connected to the defense, including reasonable attorney fees, and other investigative and claims adjusting expenses.

e. Insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## 5.2 Indemnity by City.

a. To the fullest extent permitted by law, City shall defend, indemnify and hold harmless the Contractor, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings) relating to or arising out of the negligent acts or omissions of City, its employees, agents, or any tier of subcontractors in the performance of this Contract.

b. City's duty to defend, hold harmless and indemnify the Contractor, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting there from, caused by any negligent acts or omissions in the performance of this Contract including any employee of City or any tier of subcontractor.

c. If any claim, action or proceeding is brought against the Contractor by reason of any event that is the subject of this Contract and/or described herein, upon demand made by the contractor, City, at its sole cost and expense, shall pay, resist or defend such claim or action on behalf of the Contractor by attorney of City, or if covered by insurance, City's insurer, all of which must be approved by City which approval shall not be unreasonably withheld or delayed. The Contractor shall cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, at its own expense, the Contractor may engage its own attorney to defend or assist in its defense. Any settlement of claims shall fully release and discharge the indemnified parties from any further liability for those claims. The release and discharge shall be in writing and shall be subject to approval by City, which approval shall not be unreasonably withheld or delayed.

d. If City neglects or refuses to defend the Contractor as provided by this Contract, any recovery or judgment against the Contractor for a claim covered under this Contract shall conclusively establish City's liability to the Contractor in connection with such recovery or judgment, and if the Contractor desires to settle such dispute, the Contractor shall be entitled to settle such dispute in good faith and City shall be liable for the amount of such settlements and all expenses connected to the defense, including reasonable attorney fees, and other investigative and claims adjusting expenses.

e. Insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## **Section 6. Termination.**

6.1 Termination for Cause. Upon Contractor's failure to perform any of Contractor's responsibilities as set forth in Section IV of the attached Scope of Work, the City may provide written notice to Contractor that it intends to terminate the Contract unless the problem cited is cured, or commenced to be cured, within thirty (30) days of Contractor's receipt of such notice.

6.2 If Contractor, within such thirty (30) Day period, fails to cure, or reasonably commence to cure, such problem, then City may declare the Contract terminated for default by providing written notice to Contractor of such declaration. Notwithstanding the foregoing, the City may only terminate the Contract for failure to meet response time criteria if a Major Breach occurs. A "Major Breach" consists of failure to meet priority 1 or 2 response time requirements for at least 90% of responses each month for three (3) consecutive months or for four (4) months in any contract year after the parties have met and agreed to necessary changes as set forth in paragraph VI.D of the Scope of Work.

6.3 Upon declaring the Contract terminated pursuant to subsection 6.2, above, subject to liens, encumbrances or other security agreements, and consistent with the provisions of Section 19, below, City may enter upon the Contractor's premises and take possession, for the purpose of completing the work, of all materials, equipment and other items thereon, which have been purchased or provided for the performance of the work, all of which Contractor hereby transfers, assigns and sets over to City for such purpose, and to employ any person or persons to complete the work and provide all of the required labor, services, materials, equipment and other items. Any actions specified in this or any other section will only be taken in compliance with A.R.S. § 36-2212(A), A.R.S. § 36-2232, A.R.S. § 36-2233, A.R.S. § 36-2242, and A.R.S. § 36-2217 and subject to Arizona Department of Health Services approval prior to initiating the action.

6.4 If City terminates this Contract for cause, then Contractor may be required to pay liquidated damages as more fully set forth in the Scope of Work.

6.5. Contractor's cooperation with City following a notice of termination as well as the City's draw against the Performance Bond shall not be construed as acceptance by Contractor of a finding of default and shall not preclude Contractor from seeking recourse in accordance with this Contract.

## **Section 7. Compliance with Laws.**

7.1 Contractor shall comply with all requirements of any federal, state, county, or city laws, statutes, ordinances, charters, codes, rules, regulations, and other governmental requirements, including but not limited to Arizona Statute and regulations of ADHS and the charter or ordinances of the City. No provisions of this Contract shall be construed to require Contractor to violate any orders or decisions issued by the Director of DHS or any governing statute or administrative rules regarding the provision of Ambulance or Ambulance service to the public. Furthermore, Contractor is advised that this Contract is subject to cancellation pursuant to ARS § 38-511.

7.2 Qualifications to Participate in Federal and State Healthcare Programs. Both parties represent and warrant that (a) neither it nor any employee, agent, or independent contractor

provided under this Contract is excluded from participation under any Federal Health Care Program for the provision of items or services for which payment may be made under a Federal Health Care Program; (b) neither it nor any employee, agent or independent contractor provided under this Contract has been convicted of a felony relating to health care fraud as defined under 42 U.S.C. §1320a-7(a)(3); and (c) no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e(g)(1) has occurred or is pending or threatened against either party or to its knowledge against any employee, agent or independent contractor engaged to provide items or services under this Contract (collectively "Exclusions/Adverse Actions"). During the term of this Contract, each party agrees to notify the other party in writing of any Exclusions/Adverse Actions within ten (10) days of learning of any such Exclusions/Adverse Actions and provide the basis of the Exclusions/Adverse Actions. Each party acknowledges that the exclusion of any employee, agent or independent contractor from participation in the Federal Health Care Programs shall result in his or her immediate removal from the performance of duties and responsibilities for the other party under the terms of this Contract. Each party acknowledges and agrees that any Exclusions/Adverse Actions of or against it or any employee, agent or independent contractor utilized, directly or indirectly, in the performance of this Contract may serve as the basis of an immediate termination of this Contract by the other party. For purposes of this Contract, a "Federal Health Care Program" shall mean any plan or program providing health care benefits, whether directly through insurance or otherwise, that is funded directly, in whole or part, by the United States Government (other than the Federal Employees Health Benefits Program), or any State health care program and shall include, by way of example, the Medicare and Medicaid programs. City acknowledges that it has received copies of Contractor's Code of Ethics and Business Conduct and Contractor's Anti-Kickback Policy, attached hereto as Attachments 1 and 2, respectively.

7.3 Affirmative Action in Employment. Any Contractor performing under this Contract shall not discriminate against any worker, employee or applicant, or any member of the public because of race, creed, color, age, religion, sex or national origin, qualified individuals because of their handicap status, nor otherwise commit an unfair employment practice. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are dealt with during employment without regard to their race, creed, color, age, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

7.4 This Contract shall be deemed to be made under, and will be construed in accordance with, and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof.

## **Section 8. Insurance Terms and Conditions - General.**

8.1 Contractor shall procure and maintain insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. Each insurer shall have a current A.M. Best Company, Inc. rating of not less than A- and a category rating of not less than "8." Use of alternative insurers requires prior approval from City. Insurance provided by Contractor shall be primary.

8.2 The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits contained herein are sufficient to protect Contractor from liabilities that

might arise out of the performance of the work under this Contract by Contractor, his agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance as may be determined necessary. Any insurance coverage carried by the City or its employees is excess coverage and not contributory coverage to that provided by the Contractor.

8.3 Insurance coverage, other than Workers' Compensation and Professional Liability, shall name the City, its agents, representatives, directors, officials, employees, and officers, as additional insured. Prior to commencing services under this Contract, Contractor shall furnish City with Certificates of Insurance or formal endorsements as evidence that policies providing the required coverage, conditions, and limits required by this Contract are in full force and effect. Such certificates shall identify this Contract number and shall provide for not less than thirty (30) days advance Notice of Cancellation, Termination, or reduction in limit of liability or scope of coverage. Such certificates shall be sent directly to Risk Management Department, City of Goodyear, 190 North Litchfield Road, P.O. Box 5100, Goodyear, Arizona 85338.

8.4 All insurance required herein shall be maintained in full force and effect until Services required to be performed under the terms of the Contract are satisfactorily completed and formally accepted.

8.5 Deductibles. Any and all deductibles or self-insurance retentions in the insurance policies purchased by Contractor shall be assumed by and be for the account of, and at the sole risk of Contractor. The amounts of any self-insurance retentions should be noted on the Certificates of Insurance.

## **Section 9. Workers' Compensation.**

9.1 Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over their employees engaged in the performance of the Services.

## **Section 10. Automobile Liability.**

10.1 Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damages of not less than \$5,000,000 each occurrence regarding any owned, hired, and non-owned vehicles assigned to or used in performance of services herein. Coverage will be at least as broad as coverage Code 1 "any auto" under Insurance Service Office policy form CA 00 01 10 01 or any replacement thereof.

## **Section 11. Commercial General Liability.**

11.1 Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$5,000,000, for each occurrence and \$10,000,000 in the aggregate. The policy shall include coverage for bodily injury, property damage, personal injury, products and contractual covering, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office policy form CG 00 01 07 98 or any replacement thereof. The certificate of insurance for the Commercial General Liability insurance policy shall expressly cover the indemnification obligations of indemnification required by this Contract. A general liability insurance policy may not be written on a "claims made" basis.

## **Section 12. Professional Liability.**

12.1 Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the services performed by the Contractor or any person employed by him, with a limit of not less than \$5,000,000 each claim and \$10,000,000 all claims. All Professional Liability Insurance shall be maintained for a period of three years after completion of this Contract.

## **Section 13. Umbrella/Excess Liability.**

13.1 Contractor shall maintain Umbrella/Excess Liability insurance with a limit of not less than \$5,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability, and Employer's Liability, as required above. Primary per occurrence coverage may be used to fulfill this requirement.

## **Section 14. Records, Reporting Requirements and Confidentiality of Records.**

### **14.1 Records.**

- a. Contractor shall cooperate with the City in the City's maintenance of complete and accurate records of all requests for service and deployment of transportation resources, including time and date of the request, location of the incident identification of the response unit, arrival time of the response unit at the incident scene, total elapsed time between dispatch and completion of transportation to the care facility.
- b. Contractor shall maintain, pursuant to any record retention law or regulation to which it is subject, records regarding the personnel dispatched on each responding Ambulance. Contractor shall make available to City a complete and current record of all personnel employed to perform Contractor's obligations under this Contract.
- c. Contractor shall maintain and make available to City, upon reasonable notice by City, accurate and complete accounting records and individual billings for the operations of its Ambulance service. Contractor shall maintain all such records pursuant to any record retention law or regulation to which it is subject.

14.2 Reporting Requirements. Contractor shall keep and maintain at its business offices accurate and complete accounting records for the operation of its Ambulance service. During the term of this Contract and for a period of three (3) years thereafter, Contractor shall make available to City such accounting records relating to the services defined in this Contract. All such records shall be maintained and reported in accordance with standard accounting procedures. On an annual basis, the Contractor shall make available to the City, at the local office of the Contractor, the annual consolidated financial statements of Contractor's affiliate, which reflect the financial performance hereunder. Contractor shall provide City with a current list of dedicated field personnel, which shall include date of hire and certification level. This

shall be provided on an annual basis and an updated list shall be made available upon request of City, with reasonable notice to Contractor, anytime during the term of this Contract. Upon commencement of the Contract, Contractor shall provide City with a list of all management and supervisory personnel.

14.3 HIPAA Requirements: The parties acknowledge that the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. §§ 1320d through d-8, as amended and the regulations promulgated there under (collectively, "HIPAA") apply to the activities described in this Contract, and that Contractor is a "covered entity" as that term is used in HIPAA. In that regard, the parties acknowledge and warrant to each other that their respective activities undertaken pursuant to this Contract shall conform to HIPAA no later than the effective date of each such requirement. In particular, City agrees to comply with the provisions set forth in Attachment 3 to this Agreement, regarding Protected Health Information ("PHI"), as defined by HIPAA. City's obligations under this subpart shall survive the expiration or termination of this Contract, regardless of the reason for such termination.

14.4 Contractor will comply with all reporting requirements as set forth in greater detail in the Scope of Work .

#### **Section 15. Return of City Equipment.**

15.1 The Contractor agrees to return any City-issued equipment in good working order, normal wear and tear excepted, at the termination of the Contract. If financial contribution is required from the Contractor for City-issued equipment, then Contractor will either lease the equipment at a fair market value monthly lease amount, or, if the financial contribution consists of payment of the entire fair market cost of the equipment, then Contractor will retain the equipment at the termination of this Agreement for use in another PFDRDC system. For any City of Goodyear equipment not returned at the conclusion of the term (except for equipment retained as set forth in this paragraph), or for any equipment returned damaged or unusable, the City of Goodyear shall repair or replace said equipment at Contractor's expense.

#### **Section 16. Product Endorsement/ Advertising.**

16.1 The Contractor shall not use the name or equipment of the City of Goodyear for the endorsement of any commercial product or service without the expressed written permission of the City of Goodyear.

#### **Section 17. Program Enhancements and Equipment.**

17.1 The Contractor agrees to provide equipment and program enhancements as more specifically set forth in the Scope of Work.

#### **Section 18. Performance Security; Liquidated Damages.**

18.1 Due to the importance of the EMS System to the community it serves, the City of Goodyear must do everything possible to eliminate the potential for system failure. Ambulance service is an essential service and a well designed system incorporates a variety of performance security measures to minimize the potential for failure and to sustain uninterrupted service in the event of the failure of the Contractor.



18.2 Contractor's failure to comply with performance requirements may result in the imposition of liquidated damages as set forth in greater detail in the Scope of Work, Sections VI(B) and (C).

#### **Section 19. Continuous Service Delivery.**

19.1 The Contractor expressly agrees that, in the event of a default by the Contractor, the Contractor will work with the City of Goodyear to assure continuous delivery of services regardless of the underlying cause of the default. The Contractor agrees that there is a public health and safety obligations to assure that the City of Goodyear is able to provide uninterrupted service delivery in the event of default even if the Contractor disagrees with the determination of the default. Further the Contractor agrees that if notified by the City of Goodyear of a determination of default and intent to execute an emergency takeover system, which the Contractor will cooperate fully with the takeover and challenge or appeal the matter only after the takeover has been completed. This cooperation will include allowing the city to directly operate the system under the authority of the Contractor's ADHS CON for a period of up to 12 months following the replacement of the Contractor following a default.

19.2 Any actions specified in this or any other section will only be taken in compliance with A.R.S. § 36-2212(A), A.R.S. § 36-2232, A.R.S. 36-2233, § 36-2242, and A.R.S. 36-2217 and subject to the Arizona Department of Health Services' approval prior to initiating the action.

#### **Section 20. Performance Bond.**

20.1 Contractor will be required to provide the City with a performance bond as security for the performance of obligations under this Contract. The performance bond shall be in the amount of one million dollars (\$1,000,000.00) and will be in the form attached hereto as Exhibit E. Contractor will be required to maintain the bond (renewed annually), and the provider of the bond throughout the term(s) of the Contract.

#### **Section 21. Fair Market Value.**

21.1 Fair Market Value. This Contract has been negotiated at arms length and in good faith by the parties. Nothing contained in this Contract, including any compensation paid or payable, is intended or shall be construed: (i) to require, influence or otherwise induce or solicit either party regarding referrals of business or patients, or the recommending the ordering of any items or services of any kind whatsoever to the other party or any of its affiliates, or to any other person, or otherwise generate business between the parties to be reimbursed in whole or in part by any Federal Health Care Program, or (ii) to interfere with a patient's right to choose his or her own health care provider.

#### **Section 22. Notices.**

22.1 Any demands or notices made pursuant to this Contract will be in writing and will be deemed to have been duly given and received either (a) on the date of service if personally delivered to the party to whom notice is to be given, or (b) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified postage prepaid to the addresses listed below:

For the City:

Deputy Fire Chief-Operations  
Public Safety Administration Building  
175 North 145<sup>th</sup> Avenue  
P.O. Box 5100  
Goodyear, AZ 85338

For the Contractor:

Kristi Ponczak, Chief Financial Officer  
Southwest Ambulance and Rescue, Inc.  
708 West Baseline Road  
Mesa, AZ 85210

Copy to:

City Attorney  
City of Goodyear  
190 North Litchfield Road  
Goodyear, AZ 85338

Rural/Metro Corporation  
9221 East Via de Ventura  
Scottsdale, AZ 85258  
Attn: General Counsel

### **Section 23. Alternative Dispute Resolution.**

23.0 Alternate Dispute Resolution. The alternate dispute resolution (ADR) process provided herein shall be the exclusive means for resolution of claims or disputes and other matters in question between the City and Contractor arising out of, or relating to this Contract, interpretation of this Contract, or the performance of or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to contracts containing this ADR provision. The parties agree to implement the Informal Problem Resolution as set forth in Subsection AA and Exhibit A of the Scope of Work prior to seeking resolution through ADR.

23.1 Notice. Contractor shall submit written notice of any claim or dispute to the City's Contract Administrator (the Deputy Fire Chief identified in Section 22.1 above) within fifteen (15) days of the occurrence, event or disputed response from the City, or at the conclusion of informal Problem Resolution, if applicable, for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as it occurs and not postponed until the end of this Contract nor lumped together with other pending claims.

23.2 City Response. The City's Contract Administrator will provide to Contractor a written response to any claim, request for clarification or dispute on or before fifteen (15) days from receipt of Contractor's written claim.

23.3 Appeal. If Contractor disagrees with the response of the City's Contract Administrator, within ten (10) days of the date of the response by the City's Contract Administrator, Contractor shall file with the City's Contract Administrator, written notice of appeal. The City's Contract Administrator shall provide copies of all relevant information concerning this Contract and claim or dispute to the City Manager who will determine the appeal. The City Manager may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The City Manager shall make a final determination of the appeal and provide written notice to Contractor within thirty (30) days from the date of Contractor's written notice of appeal.

23.4 Arbitration. If Contractor is not satisfied with the determination of the City Manager, the following binding arbitration procedure shall serve as the exclusive method to resolve all unresolved disputes. If Contractor chooses, not to accept the decision of the City

Manager, Contractor shall notify the City's Contract Administrator in writing within ten (10) days of receipt of the City Manager's decision of a request for arbitration. Contractor shall post a cash bond with the Arbitrator in the amount of Five Thousand Dollars (\$5,000), or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

- A. Uniform Arbitration Act. Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. § 12-1501, *et. seq.*
- B. Fees and Costs. Each party shall bear its own fees and costs in connection with any informal hearing before the City Manager. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, shall be shared among the parties; The determination of prevailing and non-prevailing parties, and the appropriate allocation of attorneys' fees, expert witness fees and cost, will be included in the award by the Arbitrator. Such fees and costs shall be reported separately on Contractor's Ambulance Revenue and Cost Report pursuant to A.A.C.R. 9-25-1106(A)(16).
- C. Equitable Litigation. Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in ADR.

## **Section 24. Miscellaneous Provisions.**

24.1 Successors and Assigns. This Contract is binding on the parties' respective partners, successors, assigns and legal representatives. Contractor will not assign, sublet or transfer its interest in this Contract without the prior written consent of the City. Any assignment made contrary to the provisions of this section shall terminate the Contract and, at the option of the City, shall not convey any rights to the assignee. Any change in the Contractor's ownership shall, for this purpose of the Contract, be considered a form of assignment. The City of Goodyear may require credentials and financial information from the transferee and may base its approval or withholding of approval on the information provided. In no event does this Contract create any contractual relationship between the City and any third party.

24.2 Severability. If any part of this Contract is found by a court to be unenforceable, the remaining provisions shall, nonetheless be enforceable to the extent allowed by law.

24.3 Integration. This Contract contains the full agreement of the parties hereto. Any prior or contemporaneous written or oral agreement between the parties regarding the subject matter hereof is merged and superseded hereby.

24.4 Modification. Any supplement, modification, or amendment of any term of this Contract shall be in writing, signed by both parties, and shall be deemed effective only following

approval by ADHS and execution by the parties to the Contract. The parties agree that they shall promptly amend the Contract to comply with all applicable laws and regulations and that such amendment shall become effective following approval by ADHS.

24.5 Conflict of Interest. This Contract is subject to the provisions of A.R.S. § 38-511 and may be canceled by the City, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the City is, or becomes, an employee, consultant, or agent of Contractor in any capacity with respect to the subject matter of the Contract while the Contract, or any extension or amendment thereof, is in effect.

24.6 Independent Contractor. The services Contractor provides under the terms of this Contract are that of an Independent Contractor, not an employee, or agent of the City. No provision in this Contract gives or will be constructed to give the City the right to direct Contractor as to the details of accomplishing the work required under this Contract.

24.7 Taxes. Contractor shall be solely responsible for any and all tax obligations that may result from Contractor's performance of this Contract.

24.8 Survival. All warranties, representations, and promises of indemnification by Contractor will survive the completion and/or termination of this Contract.

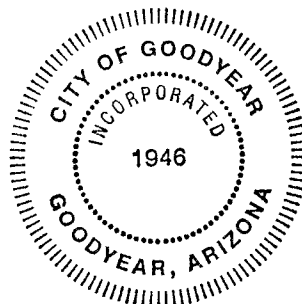
IN WITNESS WHEREOF, the parties have executed this Contract on the date first above written.

**CITY OF GOODYEAR**

By: Joh F. Fischbach  
Name: John F. Fischbach  
Title: City Manager

Attested by:  
Henry Mulhall  
City Clerk

Approved as to form:  
[Signature]  
City Attorney



**SOUTHWEST AMBULANCE AND RESCUE SERVICES, INC.**

By: [Signature]  
Name: Michael P. DiMino  
Title: President

Con-CX-1758-11

## **SCOPE OF WORK**

### **I. Introduction**

The Contractor will be granted an exclusive contract subject to Goodyear City Council approval. The contract under which these services are to be procured will be a term agreement, with the Contractor responsible for the collection of patient revenues from appropriate sources other than the City of Goodyear.

### **II. Overview of System Design**

The establishment of the City of Goodyear Emergency Medical Services (EMS) system has been authorized by the City Council.

Under this EMS System design, the City of Goodyear contracts for all emergency ambulance services with a single exclusive provider of ambulance services for the City of Goodyear. Contract rights are granted through an exclusive high performance contract.

The Goodyear EMS System is designed to align the interests of the City of Goodyear and the Contractor with those of the community and healthcare providers they serve. Throughout this procurement, the City of Goodyear offers a contract in return for high performance, clinically excellent, professional, EMS services. The City of Goodyear provides no financial subsidy or payments of any kind to the Contractor. The Contractor derives its operating revenue from user fees. The Department of Health Services for the State of Arizona sets the amount of these fees for all providers. The division of functional responsibilities in this EMS System is designed to achieve the best possible combination of public interest and industry expertise, when viewed from the patient's point of view.

#### **A. Primary Service Area Summary, Demographics and Background**

1. Primary Service Area. The primary service area for the City of Goodyear is as defined herein. The population within the current legal boundaries of the City of Goodyear is currently over 56,000 residents within an area of 115 square miles.
2. Demographics. Demographic and geographic data may be found at the following website provided by the City of Goodyear: <http://www.ci.goodyearaz.gov>.
3. Background. The Goodyear EMS System has been created by the City of Goodyear council and administered by the Fire Chief to improve EMS services within the City of Goodyear. The Goodyear Fire Department will provide Advanced Life Support First Response.
4. Service Volume. EMS response data is available upon request. The City of Goodyear makes no representation of the completeness or accuracy of this data. Contractor is advised to use industry expertise and knowledge

to estimate the volume of business represented by the Contract and any subsequent contract.

**B. City of Goodyear Functional Responsibilities**

Under this EMS System, the City has the following responsibilities:

1. To represent the public interest of its constituents;
2. Monitor compliance and enforce contractual terms;
3. Award exclusive emergency ambulance service contract rights to the Contractor;
4. Provide contract administration and funding for the medical director for clinical oversight and medical control of City of Goodyear employees; and
5. Solicit input from the medical community about appropriate response standards.

**III. Medical Director**

The position of the Medical Director is established by City Council by contract. The Contractor will be required to use the same base station used by the City for medical control. The City of Goodyear currently uses Banner Thunderbird as its base hospital. The Medical Director shall be a physician associated with the base hospital. The City's Medical Director, in conjunction with Contractor's Administrative Medical Director, if any, will rule on unresolved incidents based upon West Valley EMS protocols.

**IV. Contractor's Functional Responsibilities**

Under the City of Goodyear EMS System, the Contractor will furnish and manage field operations, and accounts receivable services including but not limited to:

1. Employment of all ambulance field personnel;
2. Supervision and management of Contractor's employees;
3. Provision and maintenance of the vehicles and equipment necessary to provide the specified services;
4. In-service training of Contractor's employees;
5. Development and management of an internal quality improvement system; as well as participation in quality improvement of the EMS System;
6. Purchasing and inventory control;
7. Support services necessary to operate the system;
8. Accurate completion and timely submission of approved clinical and billing related data;

9. Meeting response times and other performance requirements in compliance with the following:
  - a. State laws and regulations.
  - b. Response criteria provided in this Scope of Work during the periods set forth in this Scope of Work.
  - c. Current approved West Valley EMS protocols.
10. Participate and cooperate with the Medical Director in medical audits and investigations with timely responses and completion of assigned tasks;
11. Report Contract compliance on a monthly basis while providing a verifiable audit trail of documentation of that performance;
12. Provide patient billing and collections service; and
13. Provide indemnification, insurance and other security as stated in this document and the final Contract.

**V. Mandatory Requirements**

**A. Arizona Department of Health Certificate of Necessity**

The Contractor must submit a copy of its current Certificate of Necessity (CON) issued by the Arizona Department of Health Services, authorizing it to provide the services required under this Scope of Work. Failure to provide a copy of a current eligible CON will result in immediate disqualification from this Contract.

**B. Demonstration of Sound Financial Position**

The Contractor shall provide documents concerning the financial history of the organization. All financial information should be reported for the legal entity responsible for the contract. If the entity is a multi-site operator or subsidiary operation, it may report consolidated financial information provided that a letter guaranteeing the Contractor's performance with the full faith and credit of the parent organization is included with the financial data and is signed by an official that has the legal authority to bind the parent organization. The Contractor will also provide documents establishing the following:

1. Access to and sources of sufficient capital to provide for implementation and start-up of contract.
2. Financial reserves or net worth sufficient to sustain the operation in case the Contractor has incorrectly estimated expenses or profits from the operation.
3. Disclosure of any issue that may have a material bearing on the financial condition, solvency or credit worthiness of the organization. These should include any material contingent liabilities or uninsured potential losses, voluntary or involuntary bankruptcy filings and involuntary contract terminations in other jurisdictions.

4. If the Contractor or its parent is publicly traded, a copy of the most recent annual report and SEC forms 10-(k) and 10-(Q). These must include financial statements for at least the most recent two (2) year period.
5. If the firm is not publicly traded, copies of audited financial statements for the past two (2) years are required. Contractor will also provide the most recent interim financial statements (which may be unaudited). All audited statements must contain a statement that the auditor conducted with the audit in accordance with auditing standards accepted in the United States of America. Should audited statements not be available, the Contractor shall submit financial statements together with notarized guarantees of accuracy signed by the Chief Financial Officer and Chief Executive Officer of the Contractor.
6. Evidence of insurability sufficient to meet insurance coverage required under the Agreement for Ambulance Services. This may be in the form of certificates of insurance or a letter from an appropriate insurance company documenting that coverage will be provided, together with the amounts of any self-insured retentions. Detailed insurance coverage requirements are set forth in the Agreement for Ambulance Services.
7. A federal programs (Medicare, Medicaid and HIPAA) and third party payor billing and documentation compliance program. Contractor should identify its program(s), methods, documentation compliance program. Contractor should identify its program(s) methods, documentation guidelines, and implementation procedures. Contractors will also identify the firm's compliance officer (s) and detail policies related to reporting and resolution of compliance issues.

**C. Documentation of Regulatory Compliance and Litigation**

1. The Contractor shall detail any and all Arizona Department of Health Services investigations, findings, actions, complaints, including respective resolutions, whether said matter was closed or pending resolution within the last five (5) years. Contractor will specifically include details about any and all emergency (911) contract terminations. Additionally, the Contractor will detail the circumstances and resolution of any contract disputes or notices or non-compliance
2. The Contractor will provide a detailed list of all litigation filed, pending, or closed within the last five (5) years with a reserved value in excess of \$100,000 in which the Contractor or subcontractor is involved.

**VI. Operations Management Provisions**

**A. General Contractor Relationship**

Through this Scope of Work, the City of Goodyear intends to hire a single Contractor to provide all of the services specified within this Scope of Work. Should the Contractor intend to utilize one or more subcontractors to provide any of the Contractor's primary responsibilities, including, but not limited to, ambulance response, medical transportation, staffing, training, communications, call center management, protocol development, accounts receivable management, collection activity, fleet or equipment maintenance, or any similar services, the



Contractor must include detailed information about the subcontractor and its relationship to the Contractor to allow the City of Goodyear to evaluate the quality and effectiveness of the subcontractor's proposed role. Copies of all proposed subcontracts should also be included. Should the successful Contractor plan to utilize subcontractors, the City of Goodyear will look only to the primary, general Contractor to deliver contracted performance. The inability or failure of any subcontractor to perform any duty or deliver contracted results will not excuse the primary Contractor from any responsibility under the contract with the City of Goodyear.

The City of Goodyear will contract with a single exclusive provider of emergency ground ambulance services within the City of Goodyear. The Contractor will provide all emergency (911) ground ambulance service for the defined population of the City of Goodyear. Air medical helicopter rescue services are not the responsibility of the Contractor.

Ambulance services will be provided at the Advanced Life Support (ALS) level for all areas that are legally incorporated by the City of Goodyear. The Contractor will provide automatic aid services and contract services specifically included in this Contract. The Contractor will furnish at fair market value standby coverage for special events and Contract services specifically included in this Scope of Work. Contractor will provide the Fire Chief with notice that the Contractor intends to use vehicles identified in the contract as units dedicated to the primary service area for 911 emergencies for long distance transfers or interfacility transfers. In such instances, the Contractor's regional posting plan will insure that sufficient 911 ambulances will be available from surrounding systems. Contractor will provide its regional posting plan to the Fire Chief or his designee upon request. Initially, Contractor will provide four (4) ALS ambulances for the Goodyear system. Two (2) will be dedicated and an ALS ambulance will remain available for service at all times from Estrella Mountain Ranch and one north of the Gila River in Goodyear.

For the seasonal duration of the Cactus League spring training games, the Contractor agrees to supply one of the two above-referenced dedicated ALS ambulance for standby at Goodyear's Spring Training facility at no additional cost to the City of Goodyear, the Cleveland Indians or the Cincinnati Reds. The Contractor may bill the patient for services rendered as applicable as long as the City of Goodyear will be the primary EMS provider for all operations inside the stadium.

Although the Contractor may seek other ambulance contracts, the Contractor may not use any of the ambulances that it has agreed to dedicate to the City of Goodyear to service other than the Automatic Aid Services, long distance transfers and interfacility transfers as specified by the contract. Under no circumstances will such other ambulance contracts interfere with the Contractor meeting its obligations to the City of Goodyear.

#### **B. Response Time Performance**

In this high performance-based contract the City of Goodyear does not limit the Contractor's flexibility in providing and improving EMS services. Performance that meets or exceeds the monthly response time requirements of the Contract is the result of the Contractor's expertise and methods, and therefore is solely the Contractor's responsibility. An error or failure in one portion of the Contractor's operation does not excuse performance in other areas of operation.

Since the Contractor is the only provider of emergency ambulance services, patients and healthcare facilities rely on the Contractor to provide timely ambulance services. The clinical impact of poor emergency performance is enormous. Therefore, the Contractor will be required to meet or exceed criteria for emergency ambulance services at all times.

Superior response time performance over any period of time does not permit inferior response time performance over any other period of time. Contractor shall use its best effort to minimize variations or fluctuations in response time performance.

## **1. Response Time Requirements**

Minimum compliance is achieved when 90% or more of responses for Code 3 Calls and Code 2 Calls meet the specified response time requirements for the applicable month. To be in compliance for Code 3 Calls, Contractor must be able to place an ambulance on the scene of each presumptively life-threatening emergency within ten (10) minutes (659 seconds) for not less than 90% of all Code 3 Calls for the applicable month. To be in compliance for Code 2 Calls, Contractor must be able to place an ambulance on the scene of each non-life threatening emergency within twenty (20) minutes (1259 seconds) for not less than 90% of all Code 2 Calls for the applicable month.

<b>Priority</b>	<b>Allowable Response Time</b>
Code 3 Calls (Priority 1)	10:00 Minutes (659 Seconds), for 90% of Calls in a Single Month
Code 2 Calls (Priority 2)	20:00 Minutes (1259 Seconds), for 90% of Calls in a Single Month

Response priorities are defined according to a priority dispatch protocol approved by the Fire Chief, including response times as defined by Arizona Statutes, Rules and the Arizona Department of Health Services and response times as defined by AAC R9-25-901.47 and as identified by Phoenix Fire Department Regional Dispatch Center's (PFDRDC's) protocols.

Currently, all dispatches of ambulances are Code 3 Calls and considered Priority 1. The City may adopt additional priorities and associated response times as circumstances require. The City anticipates that during the initial term of the Contract, the City and the Contractor will implement a system of priority dispatch that may categorize certain calls, based on telephone triage, into the following categories:

<b>Priority</b>	<b>Definition</b>
1	Life Threatening Emergencies
2	Non-Life Threatening Emergencies

## **2. Reporting**

In every instance with respect to the specified response time criteria, Contractor shall submit a written report, at least monthly, in a format approved by the Fire Chief documenting the cause of each late response and efforts to eliminate recurrence.

### **3. Response Time Measurement**

The response time measurement methodology employed will influence operational requirements of the EMS System and this Scope of Work. It is anticipated that PFDRDC will directly dispatch the ambulances in conformance with its protocols.<sup>1</sup>

For all dispatches for services, arrival of the ambulance (staffed as required) shall be signaled by a Contractor's transmission to the dispatch center. Such transmission shall not be made until the ambulance actually arrives and is stopped at the specific location to which it has been dispatched. In the case of apartment or business complexes, such transmission shall not be made until the ambulance actually arrives at the point closest to the apartment or business to which it has been dispatched and to which its ambulance can be driven. Only arrival at a location by a Contractor's ambulance is a measurement of response time.

Arrival on scene means the moment the first arriving ambulance crew member notifies the PFDRDC either via radio or MCT that the ambulance is fully stopped at the location where it is required to be stopped while ambulance personnel exit to attend those in need of service. In situations where the ambulance has been requested to respond to a location other than the scene (e.g., staging areas for hazardous scenes), arrival on scene shall be the time the ambulance arrives at the designated location.

In instances when an ambulance crew fails to timely report arrival on scene, the time of the next communication by the ambulance crew with PFDRDC will be used as the on-scene time. However, a Contractor may appeal such instances when it can document the actual arrival time through other means, such as Fire Department personnel or PFDRDC CAD system Automated Vehicle Locator (AVL) position reporting.

If an ambulance is cancelled by an authorized agency after an assignment has been made but prior to the arrival of the ambulance at the scene (and no ambulance is required at the scene), the response time will be measured to the moment of cancellation. If the elapsed response time at the moment of cancellation exceeds the response time requirement for the assigned priority of the call, the unit will be determined to be late.

Contractor will not be held accountable for emergency or non-emergency response time compliance for any response dispatched to a location outside the Primary Service Area. Responses to requests for service outside of the Primary Service area will not be counted in the total number of responses used to determine compliance with the Contract.

---

<sup>1</sup> Until and unless a direct dispatch agreement with PFDRDC is in effect, Contractor shall provide the City with the name and contact information for the entity designated to receive dispatches for ambulance service prior to commencement of services under this Contract and shall timely update this contact information as necessary during the term of this Contract. Response time is the difference between the time that Contractor's designated entity is notified of the need for immediate dispatch of an ambulance and the time that Contractor's first ambulance arrives at the scene. Response time does not include the time required for Contractor's designated entity to identify a patient's need for immediate dispatch of an ambulance, the type of ambulance service required and the location at which ambulance service is required. Contractor shall not report its arrival on the scene until the ambulance is stopped at the scene and the attendants are ready to administer care. Compliance with response time requirements under this Contract shall be determined solely on PFDRDC data.

Contractor shall accept and respond within response time requirements to all requests for ambulance transportation dispatched by the Phoenix Alarm Room for incidents arising within the Primary Service Area. When the City of Goodyear requests multiple ambulances at a single time for a single incident, the Contractor will be responsible for meeting the response time requirements for the first arriving ambulance for Code 2 Calls and the first arriving ambulance for Code 3 Calls.

Contractor shall be required to provide for reserve service capacity in order to increase service should temporary EMS System or dispatch overload occur. However, it is understood that from time to time unusual factors beyond Contractor's reasonable control may affect the achievement of the specified response time requirement. Unusual factors are limited to unusually severe weather conditions, declared disasters, periods of unusually high demand for emergency services, or significant traffic disruptions caused by flooding or other non-routine events. Unusually high demand for emergency services will be determined by the Fire Department. Equipment failures, regular traffic congestion, ambulance failures, dispatch errors, inability to staff ambulances and other similar causes will not be grounds for granting an exception to compliance with the response time requirements.

If Contractor thinks that any response or group of responses should be excluded from the compliance calculations due to unusual factors beyond Contractor's reasonable control, Contractor may provide detailed supporting information in writing to the EMS Battalion Chief. Contractor may request that the City exclude a response or group of responses from response time calculations and late penalties. Any such request must be made in writing and be received by the EMS Battalion Chief within five (5) business days after the end of the month. The Fire Chief will review the request and issue a determination. Should Contractor dispute the determination, Contractor may appeal pursuant to the dispute resolution provisions of the Contract.

#### **4. Response to Hospital**

When the Contractor has a patient on board and is transporting to a receiving facility, the Contractor will transport without lights or sirens except when patient acuity requires a Priority 1 response. This shall include, but will not be limited to, an airway that cannot be secured in-field, obstetrical emergency or surgical emergency. The Contractor will be solely responsible for returning any field personnel to their respective stations.

#### **5. Response Time Audit Trail**

Contractor shall assure a complete audit trail for all response times and assure that the City of Goodyear has access to the response time data at any time to assure compliance.

#### **C. Deviations from Response Time, Performance or Other Standards**

The Contractor understands and agrees as that the failure to comply with any monthly response time requirements in this Scope of Work will result in damages to the City of Goodyear and that it is and will be impracticable to determine the actual amount of such damage whether in the event of delay, nonperformance, failure to meet standards, or any other deviation; therefore, the Contractor and City agree to the liquidated damages as specified in this Scope of Work. It is expressly understood and agreed that the liquidated damages amounts are not to be considered a penalty, but shall be deemed, taken and treated as reasonable liquidated damages. Payment of liquidated damages will be the City's sole and exclusive remedy for

failure to meet the response time requirements. All liquidated damage amounts will be withdrawn from the performance bond unless otherwise agreed by the parties. Such damages shall be reported separately on Contractor's Ambulance Revenue and Cost Report, pursuant to A.A.C.R. 9-25-1106(A)(16).

**D. Quarterly Meetings, Additional Ambulance Resources, Liquidated Damages**

Each quarter, no later than by the 20<sup>th</sup> day of the last month of the quarter, the parties shall meet and review performance and response times for the previous quarter. When response times or call volume from the previous quarter demonstrate the need for additional ambulance units or other improvements in the system, the parties will meet in good faith to agree upon necessary changes. Such changes will be documented by an amendment to this Scope of Work. All amendments must be submitted to ADHS for its approval.

During the next quarter, upon the Contractor's failure to meet response time requirements, the City may provide written notice to Contractor that it intends to impose fines, unless response time requirements are met within thirty (30) days. If response time requirements are not met within thirty (30) days, then the following liquidated damages will be assessed when system wide response time compliance for Priority 1 or 2 transports falls below 90% for any given month:

89%	\$5,000
88%	\$7,000
87%	\$9,000
86%	\$10,000
85%	\$11,000

**E. Reporting Requirements**

The Contractor will provide, by the fifteenth day of each calendar month, reports detailing its performance during the preceding month as it relates to each of the performance requirements stipulated herein. For each day that the Contractor fails to provide the reports, the City of Goodyear shall assess liquidated damages of \$200.00.

**F. Dispatch Communications Capability/Traffic Signal Pre-emption System**

Contractor shall maintain dispatch and communications capability with the City's Communications Center. Unless modified at some later date, references to the City's Communications Center or Dispatch System refer to the Phoenix Fire Department Regional Dispatch Center (PFDRDC). Contractor is responsible for the purchase and maintenance of all communication equipment and infrastructure that is necessary for Contractor's units to function within the Dispatch System. The Contractor will only pay the costs for the dispatching of Contractor's dedicated ambulances in the City of Goodyear, and not the direct dispatch cost for the City of Goodyear's first response service.

For services rendered to the community, the City of Goodyear will provide access to its traffic signal pre-emption system. The Contractor will be responsible for the purchase of all equipment necessary to activate the system. All equipment specifications must be approved by the City of Goodyear.

A dash camera will also be required by the Contractor at the Contractor's expense. The DriveCam cameras currently employed by Contractor satisfy this requirement.

**G. Contractor Provided Equipment**

The City of Goodyear does not provide ambulance, clinical equipment or supplies to the Contractor.

**1. Ambulance Fleet**

Contractors must provide a detailed plan for the management of the ambulance fleet support vehicles and equipment. At a minimum, this plan should provide detailed specifications that describe the vehicles and equipment to be used, and a preventive maintenance plan. The City of Goodyear requires that the specified ambulances meet the following minimum standards:

- a. All ambulances must have no more than 250,000 miles within one year of ADHS approval of this Agreement for Ambulance Services, and shall be maintained consistent with the standards set forth in Contractor's Fleet Management Standards, a copy of which is attached as Exhibit D. The Contractor shall replace any ambulance that has greater than 250,000 miles within 160 days of reaching the maximum mileage. During the quarterly reviews, relevant maintenance records will be provided upon request of the Fire Chief or his designee. Ambulances that consistently fail to meet established performance criteria will be reviewed for replacement.
- b. All ambulances used as dedicated units for the City of Goodyear shall be type III with dual rear wheels
- c. All ambulances used will be painted in the same color scheme and number scheme as currently used by the City of Goodyear
- d. All ambulances substantially meet the Federal Specifications KKK-1822E and are certified by the manufacturer to meet these specifications. Exceptions are allowed only for those items and features that must differ from the federal specification in order to meet Arizona state requirements.
- e. All ambulances shall be equipped with an air conditioning system in compliance with R9-25-1002(17).
- f. All ambulances must be specified and constructed to transport two (2) patients, one (1) Contractor paramedic and one (1) Fire Department EMT or paramedic in the patient compartment, and one additional passenger in the front seat, as well as the Contractor's driver without exceeding the original equipment manufacturer's specified maximum gross vehicle weight.
- g. All ambulances assigned to the Contract or its backups shall have a "Ferno collapsible" or equivalent baby seat for the safe transport of infants.

- h. Stryker Mxpro gurneys, or equivalent, rated to 650 lbs. on all ambulances. Additionally, Contractor shall maintain one bariatric ambulance in the West Valley system.
- i. Contractor will insure that all medications are kept within optimum service levels. Any new ambulances purchased for the Goodyear system will be equipped with temperature controlled IV and medication storage lockers.
- j. All of Contractors dedicated 911 ambulances and backups will be equipped with EZ IO devices and needles.
- k. All of Contractors dedicated 911 ambulances and backups will be equipped with Oxy Peep disposable CPAP devices, or equivalent.

#### **H. Alternative Service**

Phoenix Alarm Room shall dispatch to Contractor all requests for ambulance services in the EMS service area. In the event that the Contractor is unable to respond within the time requirements of its CON to a request for service within the terms of this Scope of Work. PFDRDC, or the equivalent, may, at the request of the City, dispatch another certificated ambulance service provider or City may initiate transport if all requirements of A.R.S. § 36-2208(B) and R9-25-907 are met

#### **I. Transportation Outside Primary Service Area**

City of Goodyear and Contractor acknowledge that certain requests for ambulance transportation within the Primary Service Area may require transportation of the patient beyond City of Goodyear and automatic aid contract boundaries and Contractor agrees to provide such services as requested.

#### **J. Area of Responsibility**

Contractor shall be responsible for providing ambulance transportation for all calls within the Primary Service Area and the Automatic Aid Contract Areas that are within its CON. The Contractor will provide ambulance transportation in accordance with the terms of any Automatic Aid Agreement.

#### **K. Alternative Transportation**

In the event that Arizona Statute and ADHS regulations are revised to encompass the implementation of alternative transportation options and destinations for service originated within public safety dispatch, the City grants Contractor exclusive right of first refusal to work jointly with City, where the City has no interest nor authority in providing such service, to provide equipment, personnel, joint guidelines, and performance criteria for such alternative transportation and destination options. These may include, but are not limited to, stretcher vans, or other vehicles or personnel as necessary to meet future needs. These services shall be approved and authorized by the Fire Chief of the City or their designee. Moreover, any agreement to provide alternative transportation will need to be submitted prior to implementation to ADHS for its evaluation of the impact of the service on rates and charges and its approval.

**L. Contractor Provided Ambulances and Locations**

1. Contractor shall provide at least four (4) 911 primary ambulances or such other number as is needed to meet response time criteria to meet the response time standards set forth in section 7. This includes the daily operation of three (3), twenty-four (24) hour ALS ambulances.
2. Contractor agrees to staff sufficient dedicated ambulances so as not to exceed a monthly combined unit hour utilization transport (UHU) rate of 0.50.
3. Additionally, as call volume increases in that area defined as FS 187 Sonora Valley, the parties will in good faith meet and discuss an additional ambulance or other improvements in the system.
4. Contractor shall provide City with a list of dedicated units and locations of such ambulance units. This list shall be updated periodically upon request by the City of Goodyear.
5. At all times the Contractor shall comply with sub-operation station requirements set forth in Contractor's Certificate of Necessity and pursuant to the rules and regulations set forth by ADHS.

**M. ALS/BLS Ambulance Requirements**

1. BLS transportation units shall be equipped and staffed to provide medical treatments, procedures and techniques which may be administered or performed by an emergency medical technician basic (EMT-B).
2. ALS transportation units shall be equipped and staff to provide medical treatments, procedures and techniques which may be administered or performed by an emergency medical technician Paramedic (EMT-P/CEP).

**N. Ambulance Specifications**

1. All ambulances shall be equipped, maintained and operated in accordance with the laws of the State of Arizona and the rules and regulations of ADHS. Each unit shall be equipped with the materials and supplies set forth in Exhibit C. Dedicated ambulances shall be of the modular design type III (or as approved by the City of Goodyear) and each dedicated ambulance shall be identified as to its call sign, which shall be consistent with the City of Goodyear call signs (e.g., ambulance 181 will have the designation 181 in no less than 6" letters on three sides and no less than 22" letters on the roof of the vehicle.)
2. Contractor shall provide a list of all dedicated ambulances used to provide service under this Contract. This list shall include:
  - a. Vehicle identification number
  - b. Make



- c. Model
- d. Year of Manufacture
- e. Current mileage

This list shall be provided upon award of the Contract and upon request of the City of Goodyear during the term of the Contract. Additionally, upon request of the City of Goodyear, Contractor shall supply a complete maintenance history for any of Contractor's ambulances.

**O. Ambulance and Equipment Maintenance**

Contractor shall be responsible for the maintenance and repair of all ambulance vehicles and medical equipment used and operated by the Contractor. This includes all repairs, preventative maintenance, parts replacement, labor and other actions necessary to keep the ambulances and medical equipment in a safe and efficient operating condition. The City of Goodyear reserves the right to review and audit maintenance reports of vehicles and medical equipment used by the Contractor.

**P. Equipment and Supplies**

Contractor shall be solely responsible for providing all of the emergency medical equipment and supplies necessary for the Contractor to perform under this Scope of Work. The equipment and supplies shall be current in nature and maintained in accordance with standard medical practices, the laws of the State of Arizona and regulations of ADHS. Without limiting the generality of the foregoing, Contract shall install and maintain in each dedicated ambulance the following equipment:

1. Operational current medical channel radio capability with a noise canceling microphone and speaker, located in the patient compartment of the ambulance;
2. All equipment listed in this Scope of Work, which is incorporated herein by this reference.

**Q. Additional Equipment**

Upon 90 days prior written notice to Contractor, City of Goodyear may add equipment, goods or products to the list contained in either program enhancement section or Exhibit C to this Scope of Work, if such equipment, goods or products are reasonably necessary to meet or exceed the established community standard of patient care and/ or to facilitate patient transfer and provided that the costs of such equipment, goods or products does not exceed \$2,000 per dedicated ambulance per year.

**R. Replacement of Consumable Supplies or Equipment**

1. Whenever the City uses consumable medical supplies, pharmaceuticals and/ or equipment at the medical incident and Contractor transports the patient, the supplies and/ or equipment used shall be promptly replaced by the ambulance transporting the patient or pursuant to a mutually acceptable restocking arrangement.

2. The replacement of supplies, pharmaceuticals and or equipment made at the scene of an EMS incident shall be accomplished in a quick and efficient manner so as not to hinder the transportation. A restocking arrangement may be implemented by mutual agreement by the City and Contractor; however, the replacement of any and all materials used by the City is limited to calls resulting in ambulance transportation.

**S. Attendants**

Contractor shall, hire, train and supervise all medical attendants in accordance with the laws of the State of Arizona and regulations of ADHS. Attendants shall be properly certified Emergency Medical Technician- Basic (EMT-B) and Emergency Medical Technician- Paramedic (EMT-P). Dedicated ambulances responding to calls for service within the 911 system to the City of Goodyear shall be staffed with personnel on a schedule that matches the City of Goodyear Fire Department 24-hours shift schedule (3 platoon system; A, B, & C shifts). City of Goodyear representatives will be consulted by the selection committee. Due to the workload, the Contractor may staff these units with split shift multiple crews as long as the same crews are used on each shift. The personnel may be replaced with any other Contractor personnel for the purpose of covering vacations, sick leave or other temporary absences. The Contractor shall submit an updated certification personnel list every year, no later than December 31 of that year. Contractor shall supply the City of Goodyear with a copy of all policies that deal with fatigue for their personnel. Contractor agrees to provide continuity of personnel stationed in the City of Goodyear to promote a cooperative work atmosphere for optimum patient care.

**T. Drivers**

Contractor shall hire, train and supervise all drivers of ambulances in accordance with the laws of the State of Arizona and regulations of ADHS. Drivers shall be properly certified EMT-B and EMT-P and have completed a comprehensive emergency driver-training program and possess an appropriate driver's license.

**U. Solicitation of Information**

Contractor and its agents and employees shall have the right to solicit information concerning any patient's accident and or hospitalization insurance. Contractor shall not, however, make any attempt to collect any service fee, equipment fee, or other fee of any nature from the patient, patient's relatives or any other party until the patient has been accepted at the receiving hospital. Contractor may solicit authorization for transport for any prepaid medical plan (e.g. AHCCCS) so long as the solicitation of such authorization does not compromise or detrimentally affect patient care.

**V. Records**

1. Contractor shall cooperate with the City of Goodyear in the City's maintenance of complete and accurate records of all requests for service and deployment of transportation resources, including time and date of the request, location of the incident, identification of the response unit, arrival time of the response unit at the incident scene and total elapsed time between dispatch and completion of transportation to the care facility

2. Contractor shall maintain, for at least three years, records regarding the personnel dispatched on each responding ambulance. Contractor shall make available to City of Goodyear a complete and current record of all personnel employed to perform Contractor's obligations under this Scope of Work.

3. Contractor shall keep and maintain at its business offices accurate and complete billing records for the operation of its ambulance service. City and its duly authorized representative shall have the right during the term of this Scope of Work, and for a period of three (3) years thereafter, to inspect and audit at reasonable times during normal business hours such billing records and to make copies thereof.

**W. Reporting Requirement**

On an annual basis, the Contractor shall provide a copy of the Contractor's financial report (Ambulance Revenue and Cost Report) filed with the Department of Health Services for CON 66 and a copy of the most recent audited financial statements of the parent company. Contractor shall provide a current list of dedicated field personnel. This list will include: date of hire, certification level, current certification continuing education hours, and driver training documentation. This shall be provided on an annual basis no later than December 31 and an updated list shall be available upon request by the City of Goodyear with a list of all management, supervisory, vehicle maintenance personnel.

**X. Informal Problem Resolution**

Contractor agrees to provide service during any disputes.

Problems and issues will include but not be limited to the following categories:

- Conflicts in the field (medical or other)
- Non compliance with medical care
- Destination concerns
- Mode of transport
- Dispatch of resources

A: All such problems and issues will be resolved in the following manner provided in Exhibit

1. Should be resolved on one on one basis privately with all parties involved.
2. If not resolved in step 1, Contractor's Designated EMS Manager and City of Goodyear Battalion Chief/EMS program Manager shall follow procedures outlined in problem resolution procedure.

3. If still not resolved, Battalion Chief will elevate to Fire Chief and Contractor's senior management for review and possible resolution.
4. Notwithstanding this informal problem resolution, the City and Contractor reserve their rights to formal alternative dispute resolution as set forth in Section 23 of the Contract.

**Y Cost of Service**

1. All charges by Contractor for services to the public under the terms of this Contract shall be in accordance with such rates and charges as may be approved by ADHS or any successor governmental entity regulating rates and charges for ambulance services. Contractor shall notify City of Goodyear of any changes in the charges for services provided under this Scope of Work within five (5) business days after approval. The City of Goodyear shall not be responsible for non-payment of bills tendered to the individual(s) involved with the services rendered.

2. In the event a ground ambulance is en route to or has arrived on the scene, where Contractor did not treat or transport the patient and/or circumstances deemed air transport necessary, Contractor shall not charge the City or the individual(s) for transportation, but can charge for medical supplies used.

**Z. Payment for Fire Department Services**

Contractor agrees to pay City a fee equal to the difference between the current ADHS approved ALS/BLS rates and not greater than the differential in effect at the time service is rendered for each ambulance transport for which a City Firefighter provides ALS services during the transport. To provide for the transfer of responsibility for the care of such person or persons, City and Contractor hereby establish and agree upon the transfer procedures attached hereto and incorporated herein as Exhibit B. All transfer procedures may, from time to time, be amended by mutual, written agreement of City and Contractor, and following approval by ADHS. Contractor agrees to be responsible for returning City personnel to their respective stations.

**AA. Education and Training**

Contractor shall develop and implement a continuing education program for personnel who serve as medical attendants and Contractor shall keep the City informed of all details concerning such continuing education. Additionally, Contractor agrees to make available the personnel, equipment and ambulances necessary to participate in all of the following:

1. A minimum of one (1) disaster drill per calendar year.
2. Contractor agrees to schedule and participate in a minimum of two (2) training sessions annually. The sessions shall be attended by all dedicated personnel and shall cover the integration of Fire Department EMS policies, procedures, command procedures, patient care management and other subjects deemed necessary by the City of Goodyear Fire Department.
3. Orientation training in City of Goodyear Fire Department operational procedures and patient care management for all new employees dedicated to this contracted area.

4. Orientation training during Fire Recruit School to all new City of Goodyear Fire Department personnel.
5. Subject to the availability of class space, City employees may attend, at no charge to the City, EMT-basic ("EMT-B") and EMT-paramedic ("EMT-P") refresher classes regularly scheduled for Contractor's employees at Contractor's place of business.
6. Continuing education training for all of Contractor's response personnel to meet ADHS requirements for EMT-B and EMT-P personnel.
7. Compliance with all current OSHA training requirements including infection control and blood borne pathogen management.
8. Compliance with yearly HIPAA training.
9. Third riders for the City of Goodyear EMS contract will only be allowed in the Contractor's ambulances upon approval of the EMS educator/PAD coordinator and Contractor.
10. The City and Contractor will extend reciprocity to all Advanced Life Support (ALS) and Basic Life Support (BLS) continuing education and bi-annual refresher classes. All Advanced Life Support (ALS) and Basic Life Support (BLS) continuing education and bi-annual refreshers offered to the Contractor's employees will be available to its employees and all City of Goodyear Fire personnel subject to availability of class space. The City will bear the salary cost for its employees and there will be no additional charge from the Contractor. In exchange, Contractor's Paramedics and EMTs may attend the EMS classes offered by the City, subject to the availability of class space. The Contractor will bear the salary cost for its employees and there will be no additional charge from the City.

Contractor will pay all costs associated with the training of its employees. Contractor is not responsible for any training cost for City Firefighters.

**BB. Emergency Standby**

Contractor agrees to locate one of its dedicated ambulances at emergency scene standby, at no charge to the City of Goodyear, when a fire or police incident commander has reason to believe a life-threatening emergency situation warrants an ambulance standby.

**CC. Emergency Disaster Operational Plan**

The Contractor shall have a plan for the immediate recall of personnel to staff units during multi-casualty situations, or declared disaster situations. This plan shall include the ability of the Contractor to immediately alert off-duty personnel. The Contractor shall participate in training programs and exercises designed to upgrade, evaluate, and maintain readiness of the system's disaster and multi-casualty response system.

1. In the event the Governor on behalf of the State of Arizona declares an emergency affecting the City of Goodyear or a neighboring city, normal operations shall be

suspended and the Contractor shall respond in accordance with the City of Goodyear Disaster Plan. The Contractor shall use best efforts to maintain primary emergency services and may suspend non-emergency service as required. During the period of a declared disaster, the City will not impose performance requirements and penalties for response times.

2. The direct marginal cost resulting from the performance of disaster services that are non-recoverable from third parties shall be submitted to the appropriate agencies for cost recovery. Such marginal costs shall not include cost for maintaining normal levels of service during the disaster, but shall be limited to the reasonable and verifiable direct marginal cost of these additional services. The City will provide all reasonable assistance to the Contractor in recovering these costs; however, the City shall not be responsible for payments to the Contractor.

#### **DD. Transfer Policy**

The City of Goodyear shall advise Contractor of the status of any injured person at the emergency incident. To provide for the transfer of responsibility for the care of such person or persons, City of Goodyear and provider hereby establish and agree upon the transfer policy attached hereto and incorporated herein as Exhibit B specifically detailing such procedures. All transfer procedures may from time to time be amended by mutual written agreement of the City and Contractor. Any such amendments must be approved by ADHS. In such situations that require Fire Department personnel to accompany a patient in the Contractor's vehicle, Contractor agrees to return those personnel to their respective fire stations or units upon the transfer of patient care subject to emergency system demands.

#### **VII. Compliance with Law**

Contractor shall comply with all requirements of any federal, state, county, or city laws, statutes, ordinances, charters, rules, regulations and codes and other governmental requirements, including but not limited to Arizona Statutes and regulations of ADHS and the charter and ordinances of the City of Goodyear. No provisions of this Scope of Work shall be constructed to require Contractor to violate any orders or decisions issued by the Director of ADHS or any governing statute or administrative rules regarding the provision of ambulance or ambulance service to the public. Furthermore, Contractor is advised that this contract is subject to cancellation pursuant to ARS § 38-511.

All applicable State laws, municipal ordinances, and the rules and regulations of all having jurisdiction over services performed for the project shall apply to the Contract throughout and they will be deemed to include in the Contract the same as though herein written out in full.

#### **VIII. Drug and Alcohol Free Workplace Program**

Contractor shall maintain a drug and alcohol free workplace to provide safe, healthy and efficient emergency services in compliance with federal law. All employees of the Contractor who are working under a contract with the City of Goodyear shall be notified, in writing, by the Contractor that they are prohibited from the manufacture, distribution, dispensation, or possession or unlawful use of a controlled substance in the workplace. Failure to require a drug and alcohol free workplace in accordance with the Policy adopted by the City of Goodyear may result in termination of the contract and possible debarment from bidding on future City of Goodyear contracts/projects.

**IX. Organizational Status**

This Contract is not intended to and shall not constitute, create give rise to or otherwise recognize a joint venture partnership agreement or relationship or any other formal business organization or association of any kind between the parties and the rights and obligations of the parties shall be only those expressly stated in this Contract. The parties hereby agree that no person supplied by Contractor to performance of this Contract shall be an employee of the City and further agree that no right to the City of Goodyear civil service retirement or personnel rules shall accrue to such persons. Contractor shall have the total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers compensation, insurance unemployment compensation other benefits and all taxes and premiums appurtenant thereto concerning any persons supplied by Contractor in the performance of this Contract and Contractor shall indemnify and hold City harmless with respect thereto.

Nothing contained in this Contract is intended to or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Contractor shall at all times remain an independent Contractor with respect to the services to be performed under this Contract. The City shall be exempt from payment of all unemployment compensation insurance as the Contractor is an independent Contractor

**X. Use of City Fire Stations**

The City of Goodyear reserves the right to negotiate the terms of a housing agreement between the parties for the purpose of stationing Contractor's ambulances at City fire stations for commercially reasonable rates, such contract shall be subject to Arizona Department of Health Services approval. Any sub-operation station established under this Contract shall meet the requirements of A.R.S. § 36-2232(c).

**XI. Scene Control**

The City of Goodyear Fire Department has the responsibility for overall scene control and management for all responders and patients. Where the City of Goodyear emergency personnel are present, the City of Goodyear is the authority at the scene. Control of the patients is under the paramedic delivering treatment. The Contractor is included in standard operating procedures within the command system. The City of Goodyear reserves the right, in the sole discretion of the medical authority at the scene and or in conjunction with the City of Goodyear base station physician, to provide ALS services to the patient utilizing the City of Goodyear Fire Department Paramedics

**XII. Incident Command Structure**

The Contractor will require its employees, including EMTs, Paramedics, Supervisors and Management personnel to adhere to and participate in the Fire Department's Incident Command procedures. Ambulance crews and other personnel will participate in and fully comply with accountability procedures when involved in any incident in which the Incident Commander requires them to use the accountability system.

### **XIII. Future EMS System Enhancements**

Contractor agrees to cooperate with City and its neighboring West Valley emergency medical service partners in the development and establishment of EMS system enhancements. Specifically, as Arizona statutes and ADHS regulations and protocols are revised to encompass the implementation of alternative treatment and transportation modalities, additional field medical service options, and point of delivery options for service originated within the public safety dispatch system, Contractor will work cooperatively with the City to provide equipment, personnel, joint guidelines and performance criteria. It is both the City's and Contractor's desire to explore innovative ways to improve on the system and at the same time balance economic issues surrounding the provisions of emergency medical services. The Contractor agrees to negotiate in good faith for the inclusion of such enhancements in the Contract. Any amendments to the terms of this contract will be required to be in writing and will be effective only after the approval of ADHS and signing by all parties to the Contract.

From time to time, the Contractor may propose EMS program enhancements that may improve the provision of emergency medical care to the City of Goodyear. The Contractor shall, as it gains experience in operating the 911 ambulance system during the term of the contract, detail any additional offers to enhance the City of Goodyear EMS program. The Contractor agrees to negotiate in good faith for the inclusion of such enhancements in the Contract. Any amendments to the terms of this Contract will be required to be in writing and will be effective only after the approval of ADHS and signing by all parties to the Contract.

### **XIV. Records Program**

#### **A. Dispatch Reports**

The following are standard CAD reports that will be provided by the Contractor either through the Contractor's system or through PFDRDC. Reports must be able to document daily unit activities, by area and time of day on a monthly basis. Additional custom reports will be created to meet any additional contractual requirements or request by the City of Goodyear. The Contractor's system will be capable of producing custom reports for a day, month, and any specified period of time. As an example, current standard reports in the system include reports which reflect the following information.

1. Emergency life threatening and non-life threatening response times by jurisdiction and by user definition
2. Out of the chute response times by crewmembers
3. On-scene times
4. On arrival at hospital to time to patient hand off
5. Hospital drop time by crewmembers
6. Emergency and non-emergency responses by hour and day
7. Cancelled run report.

In order to assure that all calls and transports are included in the database, in the event the system is inoperable for a period of time, the Contractor will provide a manual system to record the needed data points. When the system comes back online, the dispatch personnel will enter the information recorded during the outage to ensure that the database is complete and accurate.



Within fifteen (15) working days following the last day of each month, the Contractor will provide to the City of Goodyear ambulance response time reports in computer-readable format approved by the Contract manager and suitable for statistical analysis for all ambulance responses originating from requests to the Phoenix Fire Regional Dispatch Center. The record will include, at a minimum all of the following data elements:

1. Unit identifier
2. Location of call-street address
3. Location of call- city or unincorporated community
4. Location of call- map coordinates
5. Location of call- latitude and longitude
6. Nature of call (EMD code)
7. Code to scene
8. Call priority (one, two, three)
9. Time call received
10. Time call dispatched
11. Time unit en route.
12. Time unit on-scene
13. Time unit en route to the hospital
14. Time unit on arrival at the hospital
15. Time unit transferred care to hospital staff
16. Time unit was clear and available
17. Receiving hospital
18. Code to hospital
19. Number of patients transported
20. EMS incident number

The Contractor's system will provide the City and medical director HIPAA compliant, password protected, and fire-walled access to response time data for the response time audit trail.

#### **B. Backup Systems and Disaster Recovery**

The Contractor's communications center has an uninterruptible power supply to ensure no interruption of critical functions. This backup power system is tested weekly by cutting power and running on standby and generator power. In addition, the communications center maintains a backup server which can be brought on-line in the event of a catastrophic server failure. As additional security, all databases are back-up again at Contractors off-site location where separate computers dispatch system in online at all times.

## **Exhibit A**

### **PROBLEM RESOLUTION PROCEDURE**

#### **Objective**

- To provide City of Goodyear and Contractor with a means to identify and resolve issues as they arise.
- To institute a workable procedure for resolving issues which are not resolved on the individual basis.

#### **Introduction**

The majority of issues arising from disagreements in patient management with the ambulance provider can and should be dealt with on an individual basis with those individuals directly involved in the issue. A philosophy of fairness to all parties and thoroughness of investigation of all facts must be applied to all cases.

Some issues may not lend themselves to determination between the involved individuals and may require a progressive process involving management for ultimate resolution. The following paragraphs outline the steps for problem resolution.

#### **Step 1:**

Upon identification of a situation requiring application of this problem clearance procedure, those individuals directly involved should attempt to resolve the issue immediately on a private one-on-one basis. If a resolution is mutually agreed upon, this procedure need not be carried further. Should the party involved in the issue prefer not to attempt resolution, if repeated cases occur, or if at any time the discussion on the matter becomes unproductive, attempts for initial resolution should be halted and Step 2 of this procedure applied

#### **Step 2:**

If initial resolution via a one-on-one basis for whatever reason is not possible, parties involved in the issue should present their concerns in writing with available facts to their agency's designated representative who can work to resolve the issue. Those representatives shall include an EMS manager from the Contractor and Contract Administrator from the City of Goodyear at a minimum. These representatives from each agency should then interview the individuals from their respective agencies that are directly involved in the issue to determine all facts. This should be done separately within 14 calendar days following written notification of the incident at issue. After the facts are gathered from the person being interviewed, the representatives from each agency should meet in a timely manner and discuss the issue. If the facts confirm that the situation requiring correction did occur, justifying the assembly of all parties to resolve the matter, then such a meeting shall be scheduled. If however, the matter can be resolved between agency representatives, then the assembly of parties involved is not necessary.

If a need to assemble the parties involved persists, this should be done as soon as possible following the actual incident. The meeting shall involve only those parties directly involved in the incident and shall be held in private

The objective of the meeting should be to resolve this issue so that it does not recur. Resolution may address related areas of training, policy revision and or policy development, etc.

Step 3:

Those issues not resolved through Steps 1 or 2 of this procedure shall be submitted in writing to each agency representative. Issues of this magnitude may include, but are not limited to, problems with contracted service, failure to comply with contract, or timely corrective action of situations discussed in Steps 1 and 2. Situations of this significance will be forwarded to Senior Management from the Contractor and Fire Chief for the City of Goodyear.

The designated representative from each party may be permitted access to documentation and other investigative materials from previous attempt for resolution. Once adequate information and or evidence on the matter are prepared, a meeting with those parties directly involved must be held in private. Following a thorough investigation and at the conclusion of the meeting, the parties shall attempt a mutually agreed upon resolution. The Fire Chief or his/her designee shall have the authority in determining such resolution to require any corrective action, up to and including termination of the Contract. Such resolution shall be delivered to Contractor in writing and shall include the timelines under which any corrective action shall occur.

## **Exhibit B**

### **PATIENT TRANSFER PROCEDURES**

It is the policy of City of Goodyear Fire Department to provide quality and efficient medical services to all injured or ill patients. The objective of this procedure is intended as a guide to the fire officer, ALS provider and/or Firefighter to act with the patient's well being in mind.

In order to facilitate the most efficient transfer of patient care from Fire Department to Contractor for patient transportation and or treatment, the following transfer procedures have been adopted.

Upon Ambulance arrival at the scene of a medical and/or trauma emergency where patient care is being provided by Fire Department personnel, the ambulance crew shall report to the Command Officer on the scene for possible assignments to assist in any additional care. These subsequent arriving personnel must avoid duplicating any patient assessment or treatment already completed and shall work under the direction of the Officer in Command of the incident.

Fire Department Paramedic personnel shall remain in charge of the patient care until it is specifically relinquished to ambulance personnel.

The patient's condition will determine the need for the Fire Department Paramedic to accompany the patient in the ambulance and to the hospital. Contractor's and the Goodyear Fire Department's physician medical director shall establish a policy on paramedic assist to guide this determination. Contractor shall be responsible to assure patient care during transport, and, therefore, shall make the final determination as to who may accompany the ambulance.

The base station hospital, or centralized medical control, will maintain medical control of the patient and will be the final authority regarding patient care once contact with the base station physician or centralized medical control has been made.

When verbal and or written orders are required, the following information will be conveyed on the patient condition:

1. Verbal report on patient condition including:
  - a. Patient's chief complaint;
  - b. All pertinent negative/ positive physical findings and patient's current condition;
  - c. All patient treatment done up to the time of transfer;
  - d. Name and location of base station physician consulted and orders received (if applicable); and
  - e. Patient destination.
2. Complete written Fire Department EMS incident report signed by the Fire Department and Contractor's personnel.

All loading of patients into the ambulance will be the responsibility of Contractor's personnel

When the ambulance has arrived on the scene of an EMS incident, prior to the arrival of the Fire Department unit, the officer in charge of the subsequently arriving fire department unit will seek out the highest trained medical professional from the ambulance crews for a report on the patient and all care that has been provided. Following this report, the Fire Department officer may assume command of the incident/patient.

It shall be the responsibility of all agencies providing patient care to cooperate and assist in treatment and transportation requirements.

Any modification to this Exhibit B must be reviewed and approved by ADHS prior to implementation.

## Exhibit C

### EMS DISPOSABLE GOODS REPLACEMENT LIST

In addition to the Arizona Department of Health Services Equipment list for Ambulances (ALS/BLS), the City of Goodyear also requires the following replacement supplies. This additional equipment requirement may be revised as specified under the Supplies section of Ambulance Transportation Services Agreement.

#### **IV Therapy**

Blood tubing	(pump, injection ports, min. 70" set)
10 drops/ml	(injection ports)
60 drops/ml	(injection ports)
1000 ml	Lactated ringers
1000 ml	Normal Saline
250 ml	Normal Saline
100 ml	Normal Saline
50 ml	Normal Saline
30 ml	Bacteriostatic
1000 ml	N/S irrigation (multiple use bottles)
250 ml	N/S irrigation (multiple use bottles)
Long	Arm boards
Short	Arm boards
IV	Start kits

#### **Adjuncts**

24 ga x ¾"	IV Catheters (Protective Plus)
22 ga x 1"	IV Catheters (Protective Plus)
20 ga x 1.25"	IV Catheters (Protective Plus)
18 ga x 1.25"	IV Catheters (Protective Plus)
16 ga x 1 ¼"	IV Catheters (Protective Plus)
14 ga x 2"	IV Catheters (Protective Plus)
14 ga x 2"	IV Catheters (non protective)
15 ga	Intraosseous aspiration needles
	F.A.S.T. 1 Sternal I.O. Kit
15 ga	EZ IO AD (Adult) Needle
15 ga	EZ IO PD (Pediatric) Needle
	Subclavian Set
18 ga x 1 ½"	Filter needles
23 ga x 1 ½"	Needles
1 cc	Syringe/Needles (Vanish Point)
3 cc	Syringe/Needles (Vanish Point)
5 cc	Syringe/Needles (Vanish Point)
10 cc	Syringe
20 cc	Syringe
60 cc	Syringe
	Saline flushes

#### **Bandage/Dressings**

½"	Silk Tape
½"	Dermicil tape
1"	Dermicil tape

3"	Knitted fabric Tape	
¾ x 3"	Band-aids	
Vaseline Gauze		
4x4	Gauze pads (non-sterile)	
4"	Sterile [conforming bandage (soft-klings)] rolled	
3	Self-adhering flex wrap (Coban)	
5x9	Trauma dressing	
10x30	Trauma dressing	
	Triangular bandage	
	Sterile burn sheets	
Asherman Chest Seal		
<b><u>Splints</u></b>		
SAM Splint		
Cervical Collars Ambu or Stiffneck		
Head Blocks STI		
Quick Straps		
<b><u>Airway</u></b>		
Adult	Bag-valve-mask (no peep)	
PEDS	Bag-valve-mask (no peep)	
Infant	Bag-valve-mask (no peep)	
BAAM-Device		
Oxy Peep CPAP Set up		
2.5	Ladderdal Thomas ET Holder	<b>(All ET tubes to be Latex Free with Stylets)</b>
	Uncuffed Endotracheal Tube	
3.0	Uncuffed Endotracheal Tube	
3.5	Uncuffed Endotracheal Tube	
4.0	Uncuffed Endotracheal Tube	
4.5	Uncuffed Endotracheal Tube	
5.0	Uncuffed Endotracheal Tube	
5.5	Uncuffed Endotracheal Tube	
6.0	Cuffed Endotracheal Tube	
6.5	Cuffed Endotracheal Tube	
7.0	Cuffed Endotracheal Tube	
7.5	Cuffed Endotracheal Tube	
8.0	Cuffed Endotracheal Tube	
8.5	Cuffed Endotracheal Tube	
9.0	Cuffed Endotracheal Tube	
SVN Set		
SVN in-line set		
15 f	Bougie Tube (Airway Introducer Blue)	
0 Miller	Greenline Disposable steel Laryn Blade (Fiber optic)	
1 Miller	Greenline Disposable steel Laryn Blade (Fiber optic)	
2 Miller	Greenline Disposable steel Laryn Blade (Fiber optic)	
3 Miller	Greenline Disposable steel Laryn Blade (Fiber optic)	
4 Miller	Greenline Disposable steel Laryn Blade (Fiber optic)	
2 Mac	Greenline Disposable steel Laryn Blade (Fiber optic)	
3 Mac	Greenline Disposable steel Laryn Blade (Fiber optic)	
4 Mac	Greenline Disposable steel Laryn Blade (Fiber optic)	

Adult	Non-rebreather mask
PEDS	Non-rebreather mask
Adult	Nasal Cannula
Adult	End Tidal CO <sub>2</sub>
PEDS	End Tidal CO <sub>2</sub>
#5.5	Oral Pharyngeal Airway, Color Coded Hudson Brand
#6	OPA
#7	OPA
#8	OPA
#10	OPA
#11	OPA
#12	OPA
#20	Nasal Pharyngeal Airways
#22 fr	Nasal Pharyngeal Airways
#24 fr	Nasal Pharyngeal Airways
#26 fr	Nasal Pharyngeal Airways
#28 fr	Nasal Pharyngeal Airways
#30 fr	Nasal Pharyngeal Airways
#32 fr	Nasal Pharyngeal Airways
#34 fr	Nasal Pharyngeal Airways
#36 fr	Nasal Pharyngeal Airways
10 fr	Gastric Tubes
12 fr	Gastric Tubes
14 fr	Gastric Tubes
16 fr	Gastric Tubes
18 fr	Gastric Tubes
Adult Stylet	
Child Stylet	
Neonatal Stylet	
Yankaur Suction	
1/4"	Suction Tubing
6 fr	Suction Catheters
8 fr	Suction Catheters
10 fr	Suction Catheters
12 fr	Suction Catheters
14 fr	Suction Catheters
16 fr	Suction Catheters
Cric/Trach Kit	
1200 ml	Suction Canister
<b><u>Pediatric</u></b>	
Meconium Aspirator	
Delee Suction	
Disposable Diaper	
ET Tube holder	
O.B. Kit	
Buretrol Infusion set	
Bulb Syringe	
<b><u>Miscellaneous</u></b>	
#15	Scalpel



Cold Packs	
Ammonia Inhalants	
Bite Sticks	
Adult	Defib/Pacer Pads for Philips Monitors
Adult	EKG Pads
PEDS	EKG Pads
Philips monitor EKG paper	
Small	N95 Racal Masks
Med	N95 Racal Masks
Large	N95 Racal Masks
Disposable Blankets	
12x15	Bio Hazard Bag
33x40	Bio Hazard Bag
Impermeable sleeves	
Sharps Shuttle	
3 way Stopcock	
K-Y Jelly	
Disposable pen lights	
Trauma shears	
Accu Check test strips and test solution	
Lancets	
Small	Gloves (Nitrile)
Medium	Gloves (Nitrile)
Large	Gloves (Nitrile)
X-Large	Gloves (Nitrile)
Vionex Wipes	
Pressure Infusers	
Mucosal Atomizer Device for Narcan	
King Airway LTSD	
Benzoin Swabs	
Code/Backboard straps	
White duct tape	
Thermo scan digital probe covers	
Chucks (IV pads)	

## **Exhibit D**

### **FLEET MANAGEMENT**

#### **Overview**

The maintenance of emergency equipment is the responsibility of the Contractor. Contractor has recently built a large modernized fleet management facility. Contractor employs ASE (Automotive Service of Excellence) and or EVT (Emergency Vehicle Technician) certified technicians. Contractor currently employs eight Master ASE Certified technicians, and two Master EVT Certified technicians.

#### **Description of Fleet**

Contractor owns and operates the largest fleet of ambulances in Arizona, totaling over 300 statewide. Contractor's fleet consists of a wide variety of ambulance manufactures, all of which are mounted on the Ford E Series chassis. They include McCoy Miller, Wheeled Coach, Braun, and Road Rescue. Current copies of the Arizona Department of Health Services annual inspection can be reviewed at any time.

On a daily basis, Contractor fields over 100 ambulances. Contractor maintains a reserve capacity of 35% of the fleet. Contractor performs scheduled services and repairs without the need to decrease the number of in service units operating and dedicated reserve ambulances in any one area.

#### **Dedicated Fleet for Specific Areas**

Contractor's ambulances are positioned to serve specified areas of responsibility. These dedicated ambulances do not rotate between different systems. Contractor also dedicates crews for those units. This allows local First Responders and our ambulance crews to work within a uniformed ambulance configuration. Specific vehicle equipment required by the First Responders is installed and maintained in each dedicated ambulance.

Between responding to emergency calls, the frontline units are stationed throughout the service area. They respond to 911 emergency calls. Our communication center is aware of the location and capabilities of each individual crew and ambulance. They are in constant communication with the "duty office" and coordinate to fill the gaps if and when they occur.

If required we will send out a reserve ambulance to a required location, exchange the faulty unit and return it to the repair facility.

#### **Daily Inspection**

On a daily basis, prior to putting an ambulance crew into service, the crew must complete a comprehensive checklist. The checklist includes fluid levels, brakes, tires, a/c system, heating system, warning devices, safety devices, lighting, medical equipment, and supplies. Also, as part of these checks, equipment such as cardiac monitors are tested and test strips is turned in with the report. Pulse oximetry, blood glucometer, portable ventilator, IV pump

and others, must be within specification. Any deficient equipment found on the ambulance is repaired or corrected before the unit is allowed to return to service. An ambulance vehicle deficiency form is filled out by crew and turned into the Fleet Maintenance office to schedule repairs.

Minor issues, such as burned out lamps, bad batteries, or tire will be corrected on the spot. After normal business hours, from 6 am – 6 pm, we employ on call mobile service repair technicians that can perform onsite repairs anywhere within Maricopa County.

### **Temporary Replacement of Dedicated Ambulances**

Contractor provides well maintained reserve ambulances when primary dedicated ambulances are removed from active service for routine maintenance or repair. In the event that an immediate mechanical problem arises with the dedicated ambulance, a reserve ambulance is available 24 hours a day from our Operation Center located at 708 West Baseline Rd. Depending on system demands, reserve ambulances are shuttled to on duty crews in their primary response area or exchanged at our Operation Center. Our Communication Center routinely moves additional active ambulances into an area to provide appropriate coverage.

### **Fleet Maintenance Philosophy**

In order to successfully manage a large sized emergency response fleet, it is essential that the vehicles are maintained at the highest level. Beginning in 1983, Contractor adopted a strenuous maintenance program based on the philosophy of the aircraft industry. Specific standards and maintenance timetables, based on both mileage and time in use, are established for each vehicle and rigorously adhered to by Contractor's experienced fleet maintenance department. This approach has resulted in a fleet-wide "in service" uptime which exceeds the national level of industry standards.

Contractor recently moved into a 55,000-square-foot, fully air conditioned, fleet facility. Contractor's fleet facility is unique, as compared to other providers, in regards to its size, and temperature controlled interior, making it a more comfortable environment for our technicians to perform their job effectively. We now have 30, full-size service bays, which are split up into nine specialized departments. These departments consist of a Preventive Maintenance, General Repair, Heavy Repair, Fire Apparatus, Body Shop, Fabrication and Refurbishment, Radio Communications, Quality Control, and Parts department. Contractor's Fleet Management takes a proactive approach to repair and maintenance of our vehicles. This is accomplished through comprehensive preventive maintenance procedures, as well as a predictive repair procedural program.

Contractor recently implemented an advanced fleet management software package, capable of providing real time data, reports, and tracking. This software package manages everything from the repair and maintenance process to our parts inventory system. The software package was selected because of its flexibility and adaptability to the emergency vehicle needs. Their software company headquarters is located in Phoenix, providing us excellent technical support and training.

Contractor adheres to, and is compliant with the following state and federal regulations and guidelines:

- AZ Department of Health Services
- AMD 001-1009, NTEA Ambulance Performance Standards
- KKK-A-1822E, Star of Life Ambulance Federal Specifications

Contractor provides technicians with a number of different training opportunities, in an effort to keep technicians up to date with the latest technology. Our fleet technician retention is well above the industry standard.

### **Corrective Repairs**

Corrective repair request forms and routine work orders are coordinated with preventive maintenance downtime by inclusion in the computer fleet maintenance program. Replacement parts and trim items are ordered in advance to permit installation at a scheduled downtime. During this time, the vehicle to be serviced is "traded out" with a reserve ambulance to enable the crew to continue functioning in the field. Any ambulance coming in for either a repair and or preventive maintenance receives a bumper to bumper 50 point inspection, testing such items as the starting system, charging system, a/c system, check of code 3 lights, sirens, and pressure testing the cooling system, etc.

### **Preventative Maintenance and Scheduling**

The schedule for preventive maintenance on any of Contractor's vehicles is determined by mileage and date. A Preventative Maintenance ("PM") is performed every 3,000 miles or 90 days, which ever occurs first. Every different type of PM Service performed includes the same 50-point bumper to bumper inspection. Contractor's fleet not only meets manufacturers suggested maintenance requirements and intervals, but exceeds industry standards. Preventive maintenance is tracked and scheduled through the computerized fleet maintenance database.

Contractor performs the following different types of Preventive Maintenances:

- PM A            3,000 Miles
- PM B            12,000 Miles
- PM C            24,000 Miles
- PM D            48,000 Miles

***Below is a typical servicing sequence for the ambulance PM program***

Vehicle Mileage	PM Performed
3,000	A
6,000	A
9,000	A
12,000	B
15,000	A
18,000	A
21,000	A
24,000	C

Vehicle Mileage	PM Performed
27,000	A
30,000	A
33,000	A
36,000	B
39,000	A
42,000	A
45,000	A
48,000	D

***Below is a brief summary of our preventive maintenance:***

**PM A Service:**

- Engine oil and filter replaced
- Chassis lubed
- Rotate and rebalance tires
- Charging system tested for output
- Starting system tested for amp draw
- Cooling System pressure tested for leaks
- 50-point bumper to bumper inspection covering everything inside and out

**PM B Service:**

- Engine oil and filter replaced
- Chassis lubed
- Fuel filter replacement
- Air filter replacement
- Rotate and rebalance tires
- Charging system tested for output
- Starting system tested for amp draw
- Cooling System pressure tested for leaks
- 50-point bumper to bumper inspection covering everything inside and out

**PM C Service:**

- Engine oil and filter replaced
- Chassis lubed
- Fuel filter replacement
- Air filter replacement
- Rotate and rebalance tires
- Re-pack wheel bearings
- Service differential and refill oil
- Transmission system flush
- Replace transmission filter and fluid
- Cooling system flushed and refilled
- Charging system tested for output
- Starting system tested for amp draw
- Cooling System pressure tested for leaks
- 50 point bumper to bumper inspection covering everything inside and out

**PM D Service:**

- Engine oil and filter replaced
- Chassis lubed
- Fuel filter replacement
- Air filter replacement
- Rotate and rebalance tires
- Re-pack wheel bearings
- Service differential and refill oil
- Transmission system flush
- Replace transmission filter and fluid
- Cooling system flushed and refilled
- Replacement of all engine coolant hoses
- Replacement of all engine drive belts
- Replacement of belt tensioner and idler pulley
- Shock absorber replacement
- Replacement of U-joints
- Charging system tested for output
- Starting system tested for amp draw
- Cooling System pressure tested for leaks
- 50 point bumper to bumper inspection covering everything inside and out

**Parts Inventory**

Contractor maintains a supply of parts that are routinely used in the corrective and preventive maintenance programs such as brakes, alternators, and electrical parts. In addition, transmissions are also stocked for quick replacement. Local vendors stock other items in their warehouse, such as engines and differentials.

**Exhibit E**

**PERFORMANCE BOND**

**City of \_\_\_\_\_ Performance Bond**

Bond No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that \_\_\_\_\_, its successors or assigns, as Principal, and \_\_\_\_\_, as Surety, are held and firmly bound unto the **City of \_\_\_\_\_ in the State of \_\_\_\_\_**, to the extent acting unanimously, referred to collectively as Obligee, in the maximum total penal amount of \_\_\_\_\_ in the aggregate, in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, successors and assigns, firmly by these presents for actual monetary loss incurred by Obligee.

WHEREAS, Principal has entered into, with Obligee, those certain agreements, to provide \_\_\_\_\_, respectively (the "Contracts"), and the Obligee has consented to accept this bond as security for the performance of the Contracts for the specified term of this bond and subject to the terms and conditions of this bond.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the Principal shall promptly and faithfully perform said contract during the term of this bond, then this obligation shall be null and void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that the term of this bond shall be for the period from \_\_\_(a one year time period as defined)\_\_\_\_\_, and any annual extensions of this bond shall be executed via Certificate of Continuation. The failure of the Surety to extend this bond at any annual bond anniversary shall not in itself be the basis for a claim against the bond. Any and all claims by Obligee shall be reimbursed by the Surety on the basis of reasonable, actual costs incurred by Obligee within a commercially reasonable timeframe. The Obligee, with the acceptance of this bond, acknowledges that the provisions and conditions of this bond are specifically incorporated in the Contracts as an amendment thereto and that the language of this bond shall supersede and preempt any Contract language to the contrary. Surety may cancel this bond at any time, without notice or demand, for failure to pay premium, collateral or other amounts due under this bond. Regardless of the number of extensions of this bond, the aggregate liability of the Surety is limited to the penal amount and shall not be cumulative.

No right of action shall accrue on this bond to or for the use of any person, governmental entity or corporation other than the Obligee. Any suit under this bond must be instituted before the expiration of one (1) year from the first occurrence date of any event that forms the basis for the material service default underlying the Conditions Precedent unless such limitation is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

Signed and sealed on \_\_\_\_\_, 20\_\_\_\_.

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

## ATTACHMENT 1

### CODE OF ETHICS AND BUSINESS CONDUCT



# RURAL/METRO®

## GENERAL COMPLIANCE POLICY & PROCEDURE

Department: All Departments		General Policy: 001
Subject: Code of Ethics and Business Conduct	Services: All Lines	N/A
Original Date: April 15, 2005	Revised Date:	Page(s): 18
Annual Approval Date: October 18, 2006		

### CODE OF ETHICS AND BUSINESS CONDUCT

#### I. INTRODUCTION

Rural/Metro and its subsidiaries and affiliates (hereinafter collectively referred to as "Rural/Metro" or the "Company") are committed to conducting its business lawfully and ethically. This Code of Ethics and Business Conduct (this "Code") reinforces our commitment to the highest ethical and legal standards and provides each Covered Person and member of the Board of Directors of the Company (hereinafter collectively referred to as "Covered Persons") with guidance and perspective in understanding business ethics at Rural/Metro. No code of conduct can hope to spell out the appropriate moral conduct and ethical behavior for every situation we may confront. In the final analysis, we must rely on our own good judgment. Each Covered Person has the personal responsibility to make sure that, in discharging our duties and responsibilities as directors and Covered Persons of Rural/Metro, we abide by this Code and applicable laws.

This Code of Ethics establishes the general guidelines with which all Rural/Metro Covered Persons must comply to ensure that their conduct conforms to the highest ethical standards and is in accordance with all applicable laws, rules and regulations. These general guidelines are not meant to cover all situations. Any doubts whatsoever as to the propriety of a particular situation, whether or not the situation is described within this Code, should be submitted either to your immediate supervisor or to Rural/Metro's Corporate Compliance Officer or Legal Department. The intent of Rural/Metro's Corporate Compliance Program is to safeguard Rural/Metro's tradition of strong moral, ethical and legal standards of conduct.

Every Covered Person of Rural/Metro is required to understand and comply fully with both the rules and approval procedures established by this Code. The standards of conduct that govern Rural/Metro's relationship with the government are applicable to all of Rural/Metro's Covered Persons whether or not the Covered Person is directly



engaged in performing activities relevant to any federal, state or private contracts. Only the Corporate Compliance Officer or Legal Department may make decisions regarding requests for interpretation of or exception to this Code. Any Covered Person violating any provision of this Code will be subject to disciplinary action, up to and including discharge from employment. To the extent that any additional policies are developed as part of the Corporate Compliance Program, those policies should be consistent with this Code. In case of any inconsistency, this Code shall govern.

## **II. COMPLIANCE WITH ALL LAWS AND REGULATIONS**

All of Rural/Metro's Covered Persons must scrupulously comply with all federal, state and local laws and government regulations. Covered Persons must immediately and directly report any actual or perceived violation of this Code, the Corporate Compliance Program or any other Rural/Metro policy to their immediate supervisor, Rural/Metro's Corporate Compliance Officer, Legal Department, or if they choose to remain anonymous may use the Rural/Metro **Compliance Hotline at 888-253-4558**. (See General Policy #003)

## **III. CONFIDENTIAL INFORMATION**

All Covered Persons are responsible for ensuring that appropriate measures are taken to properly protect Rural/Metro's confidential (i.e., non-public) information. Covered Persons are expected to assist in the protection of all confidential information, including technical, financial, customer, personnel, marketing, patient records and other business information, which, if made available to Rural/Metro's competitors or the public, would be advantageous to such competitors and detrimental to Rural/Metro or subject the Covered Person and Rural/Metro to violations of the law. Protection of such information is critical to our ability to grow, operate, compete, and comply with all applicable laws.

This policy serves as Rural/Metro's general reference policy regarding Confidential Information and is to be used as such. However, Rural/Metro also provides published policies for HIPAA Privacy and Security Regulations, along with a Records Retention Policy, and Insider Trading Policy.

Confidential and proprietary information may include without limitation, some or all of the following categories:

- A.** Business and patient information, including treatment and medical records, sales and marketing research, materials, plans, strategies, accounting and financial information, product, customer, vendor, supplier, and distributor information, personnel records and the like.
- B.** Technical information, including functional and technical specifications, designs, drawings, analysis, research, processes, computer programs, methods, ideas, "know how" and the like.

- C. Third party confidential information that Rural/Metro has a duty to maintain as confidential; and
- D. Other valuable information designated by the owner as confidential expressly or by the circumstance in which it is provided.

It is the duty of every Covered Person to protect the confidential information he or she has been entrusted with, regardless of its media form. For example, much of the information maintained in the Company computer systems is confidential, proprietary, and/or of a trade secret nature, and electronic transfer or copying of this information to a third party is generally prohibited. Confidential information should be stored in a secure manner and its access limited to the Covered Persons who have a need to know and work with the confidential information.

#### **IV. DEALING HONESTLY WITH CUSTOMERS, OTHER SUPPLIERS AND CONSULTANTS**

##### **A. Quality of Service**

Rural/Metro is committed to providing quality customer service and patient care that meets all contractual obligations and Rural/Metro's quality standards.

##### **B. Contract Negotiation**

Rural/Metro has an affirmative duty to disclose current, accurate and complete cost and pricing data where such data is required under appropriate federal or state law or regulation. Covered Persons involved in the pricing of contract proposals or the negotiation of a contract must ensure the accuracy, completeness and currency of all data generated and given to supervisors and other Covered Persons and all representations made to customers, both government and commercial. The submission to a federal government customer a representation, quotation, statement or certification that is false, incomplete or misleading can result in civil and/or criminal liability for Rural/Metro, the involved Covered Person and any supervisors who condone such a practice.

##### **C. Competitive Analysis**

In conducting market analyses, Rural/Metro's Covered Persons should not accept or use information known to be proprietary to one of our competitors. Supervisors must ensure that a competitor's proprietary information is not improperly obtained or used in any improper fashion.

#### **D. Antitrust Issues**

The free enterprise system rests on the proposition that free and open competition is the best way to ensure an adequate supply of goods and services at reasonable prices. The antitrust laws of the U.S. are intended to protect and promote vigorous and fair competition. All Covered Persons must adhere strictly to both the spirit and the letter of the antitrust laws of the U.S. and with all such laws governing competition in any country in which Rural/Metro does business. Violation of antitrust laws can result in severe civil and criminal penalties, including imprisonment for individuals, and Rural/Metro can be subjected to substantial fines and damage awards.

The following summary of antitrust law principle is intended to assist in the understanding of the basic antitrust regulations, and to recognize the types of business situations where these laws may be applicable. This summary is not intended to be a complete statement of all aspects and interpretations of the antitrust laws and cannot be regarded as a substitute for professional legal advice. Any question as to whether a proposed course of action would involve a violation of the antitrust laws must be cleared in advance by the Legal Department.

*Agreements with Competitors.* Contacts with competitors are sensitive and risky, since courts can infer an agreement or collusion from such contacts when they are followed by common action or behavior. In all contact with competitors, Covered Persons must avoid discussing prices, terms and conditions of sale, costs, inventories, competition, marketing plans or studies, production plans and capabilities, and any other proprietary or confidential information.

Covered Persons must always consult with the Legal Department when planning to contact a competitor. Likewise, if any competitor initiates a discussion involving the subjects above, a Covered Person should immediately excuse himself/herself from the conversation and immediately report the matter to the Legal Department.

Covered Persons should avoid all contacts with competitors if they have authority over the pricing, terms or conditions of sale of Rural/Metro products or services.

In order to minimize the risk of violation of the antitrust laws or the appearance of violation in connection with dealing with competitors:

- Do not enter into any understanding or agreement, whether expressed or implied, formal or informal, written or oral, with a competitor limiting or restricting any of the following aspects of the competitive strategy of either party or of the business offering of either party to any third part or parties:

**Prices**

**Costs**

**Profits**

**Service or product offerings**

**Terms or conditions of sale**

**Deliveries**

**Production facilities or capacity**

**Production or sales volume**

**Market**

**Decisions**

**Customer or supplier**

**Sales Territories**

**Classification, allocations, or selection**

**Distribution methods or channels**

- Do not discuss with a competitor prices, terms or conditions of sale, or any subject that might affect prices, directly or indirectly.
- Do not provide or accept from a competitor past, present or future price lists or other published terms or conditions of sale (Note: It is generally legal to obtain information on competitive price schedules, from sources other than competitors. On such information, the date received and the source from which the information was obtained should be recorded, and the recipient should initial it. This will later provide an explanation that the information was obtained legally).
- Do not enter into discussion with competitors from which it might be inferred there was an understanding that one company would not compete with the other in a territorial market, for certain customers or customer classes, or in the sale of particular products.
- Do not discuss refusing to sell to a customer or to buy from a supplier with anyone outside Rural/Metro.

*Agreements with Customers.* A number of antitrust issues can arise in relationships between a company and its customers, especially if those customers are in the business of reselling any products or services sold or provided to the customer by the Company. In order to minimize the risk of violation of the antitrust laws or the appearance of violation in connection with dealing with customers:

- Deal fairly and openly with all of Rural/Metro's customers and suppliers.
- Do not use coercive practices in any relationship with Rural/Metro's customers. Never threaten termination for any

reason other than good faith enforcement of Rural/Metro's contractual rights.

- Do not pressure suppliers to purchase Rural/Metro's services and products because Rural/Metro purchases their products and services.

*Trade Associations.* Trade associations provide a vehicle for industry members to meet and work together to improve the industry. However, trade associations have no exemption from the antitrust laws. A formal agenda should be made and kept for all trade association meetings. If at a trade association meeting a matter is brought up that should not be discussed with a competitor, it can be used by the government in proving an unlawful agreement or understanding. If competitively sensitive subjects come during trade association meetings, ask that your departure be noted in the minutes, and leave.

*Mergers, Acquisitions and Joint Ventures.* The antitrust laws also regulate business combinations, such as mergers, acquisitions and joint ventures. Before serious discussions or negotiations begin on any acquisition, regardless of structure, it is important that the Legal Department be consulted so that where required, Rural/Metro can make the required filings with governmental agencies.

#### **E, Anti-kickback and False Claims Issues**

Federal and state laws prohibit Rural/Metro and its Covered Persons from offering or accepting any form of remuneration, including a kickback, bribe or rebate, to an entity or person to induce that customer or potential customer (including physicians, hospitals or other provider/suppliers) to purchase services from or to refer a patient to Rural/Metro. In addition, there are laws that prohibit the filing of false and fraudulent claims to both governmental and private third-party payors.

Examples of the types of actions that could violate the federal Anti-kickback Statute (the "**Anti-kickback Statute**") and similar state anti-kickback laws include the following:

- A. Offering or paying anything of value to induce someone to refer a patient to Rural/Metro;
- B. Offering or paying anything of value to induce someone to purchase services from Rural/Metro;
- C. Soliciting or receiving anything of value for the referral of Rural/Metro patients; or
- D. Offering free goods or services to induce the person or entity to purchase or order any items or services from Rural/Metro.

A more detailed summary of the issues arising under the Anti-kickback Statute are set forth in Rural/Metro's Policy entitled *Inducement to Federal Health Care Program Beneficiaries and Waivers of Coinsurance and Deductibles* (Specific Compliance Policy #001). Questions involving the Anti-kickback Statute and its relation to any existing or proposed financial relationship (including a contract, joint venture arrangement or marketing program) should be directed to Rural/Metro's Corporate Compliance Officer or Legal Department.

Examples of the types of actions that could violate the federal False Claims Act and other federal false billing laws include:

- (1) Filing a claim for services that were not rendered at all or were not rendered as described on the claims form;
- (2) Filing a claim for services that were rendered, but were medically unnecessary;
- (3) Submitting a claim containing information you know to be false;
- (4) Assisting a customer in submitting a false or fraudulent claim; or
- (5) Misusing Social Security or Medicare symbols, emblems or names in marketing.

In addition, certain Covered Persons of Rural/Metro's Medical Transportation and Fire Operational and Billing Personnel need to comply with Rural/Metro's Corporate Policy on Reimbursement and Billing Policies and Procedures. Medical Transportation and Fire Operational and Billing Personnel should refer to these specific policies for further guidance.

#### **F. Providing Business Courtesies to Customers or Sources of Customers**

Rural/Metro's success in the Medical Transportation and Fire Operational marketplace results from providing the highest quality patient care, ethical standards and integrity with outstanding customer support services. Rural/Metro does not seek to gain an improper advantage by offering business courtesies such as entertainment, meals, transportation or lodging to potential referral sources or purchasers of any items or services furnished by Rural/Metro. In light of the Anti-kickback Statute and other federal and state laws, Covered Persons should never offer any type of business courtesy to a referral source or purchaser for the purpose of obtaining favorable treatment or advantage or to induce such person or entity to purchase or order any items or service from Rural/Metro.

To avoid even the appearance of impropriety, Covered Persons must not provide any referral source or purchaser with any gifts, meals, or promotional items that have more than a nominal value of greater than \$50 without the express approval of Rural/Metro's Corporate Compliance Officer or Legal Department. Any Covered Person may provide or pay travel or lodging expenses of a customer or potential referral service only with the advance approval of the corporate officer responsible for its unit or group, or a designee, and the additional approval of the Corporate Compliance Officer or Legal Department.

**G. Government Health Care Program Agreements**

On a regular basis, Rural/Metro is a party to numerous agreements with governmental health care programs such as the Medicare or Medicaid programs. It is essential that all Covered Persons are knowledgeable of, and comply with, all of the applicable laws, rules and regulations of all such governmental agencies. Billing Personnel also must comply with Rural/Metro's Corporate Policy on Reimbursement and Billing Policies and Procedures. Any Covered Persons who may have a concern or a question concerning compliance with any governmental contract or subcontract should contact their supervisor or the Corporate Compliance Officer.

Covered Persons also may not provide or pay for any meal, refreshment, entertainment, travel or lodging expenses for government employees or representatives without the prior approval of the Corporate Compliance Officer or Legal Department. State, local and foreign governmental bodies may also have restrictions on the provision of business courtesies, including meals and refreshments. Rural/Metro's Covered Persons doing business with such governmental bodies are expected to know and respect all such restrictions.

**H. Foreign Corrupt Practices Act**

Covered Persons who do business in foreign countries often become aware of customs involving the exchange of gifts or the paying of certain fees. It is Rural/Metro's policy to comply with applicable laws on these matters, particularly the Foreign Corrupt Practices Act. This law restricts payments to officials of foreign government, political parties, and candidates for office. Generally, "illegal payment" are any bribes, commissions, rebates, kickbacks, consulting or other service fees, special discounts, certain entertainment, and other transfers of money or any other form of value where it is known, or reasonably suspected, that the payment or transfer is to reward a foreign official for obtaining or retaining business for Rural/Metro. Payments made to foreign officials are equally illegal when made through an intermediary or consultant, rather than directly.

Whenever an independent commission agent, sales consultant, or a similar representative is retained with respect to any business outside the US, a written commission agreement specifically approved by the Legal Department must be

signed by an authorized member of Rural/Metro's senior management and by the representative. Negotiating and approving these arrangements must be performed with care, and there must be full disclosure to the Legal Department of all facts and circumstances.

Ultimately, each Covered Person must exercise good business judgment in deciding which situations are unacceptable. Bottom line: If there is ever any doubt as to the acceptability of any gift or entertainment activity, consult with your supervisor, Corporate Compliance Officer, or Legal Department.

## **V. FINANCIAL INTEGRITY**

### **A. Financial Recording**

Rural/Metro requires honest and accurate recording and reporting of financial information in order to make responsible business decisions. All financial books, records and accounts must accurately reflect transactions and events and conform to generally accepted accounting principles and to Rural/Metro's system of internal controls.

Examples of unethical financial or accounting practices include, but not limited to:

1. Making false entries that intentionally hide or disguise the true nature of any transaction.
2. Improperly accelerating or deferring the recording of expenses or revenues to achieve financial results or goals.
3. Maintaining any undisclosed or unrecorded funds or "off the book" assets.
4. Establishing or maintaining improper, misleading, incomplete or fraudulent account documentation or financial reporting.
5. Signing any document believed to be inaccurate or untruthful.

### **B. Accurate Reports**

It is the company's policy to provide full, fair, accurate, timely and understandable disclosure in reports and documents submitted to the Securities and Exchange Commission, the Nasdaq Stock Market and other regulators, and in other public communications.

You may be called upon to provide information to be used in our public reports, including in particular the reports and other documents filed by the Company from time to time with the Securities and Exchange Commission. You are



expected to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to our public disclosure documents.

Each member of the Board of Directors, the principal executive officer, principal financial officer, principal accounting officer or controller, other persons performing similar functions, and each member of the Finance Department bears a special responsibility for promoting integrity within the Company and ensuring the accuracy and completeness of the Company's public disclosures.

If at anytime you have reason to believe someone has violated this policy, you should report this immediately to the Internal Audit Department or if anonymity is desired, the alleged violation should be reported through the Rural/Metro **Corporate Governance Hotline at 866-225-5582** as discussed more fully in General Policy #003 Reporting and Investigating Issues of Non-compliance.

## **VI. AVOIDING ABUSES OF TRUST**

Rural/Metro expects its Covered Persons to avoid engaging in any activity that might interfere or appear to interfere with the independent exercise of the Covered Person's judgment in situations where the Covered Person's personal interests might detract from or conflict with Rural/Metro's best interest or the interests of Rural/Metro's customers or suppliers.

### **A. Conflicts of Interest**

All Covered Persons have a responsibility to avoid situations and relationships that involve actual or potential conflicts of interest. Generally, a conflict of interest arises whenever a Covered Person's personal interests diverge from his or her responsibilities to Rural/Metro or from Rural/Metro's best interests. Put another way, a conflict of interest is created whenever an activity, association or relationship of yours might impair your independent exercise of judgment in the Company's best interest. Examples of situations that could be perceived as conflicts of interest and should be avoided include, but are not limited to:

1. Conducting Company business with a firm that is owned, partially owned, or controlled by a Covered Person or a Covered Person's relatives or friends.
2. Placing yourself in a position where you are in competition with Rural/Metro or take for yourself or others an opportunity that belongs to Rural/Metro.
3. Working as an employee or a consultant for a competitor, regulatory governmental entity, customer, or supplier of Rural/Metro, or doing any work for a third party that may adversely

affect your performance or judgment on the job or diminish your ability to devote the necessary time and attention to your duties.

4. Using company property, materials, supplies, funds or other resources for personal purposes, or appropriating or diverting to others any business opportunity or idea in which Rural/Metro might have interest.
5. Accepting, directly or indirectly, payments, services, or loans from a supplier, contractor, subcontractor, customer or organization doing business, expecting to do business, or competing with Rural/Metro. To avoid even the appearance of impropriety, the only exceptions to this rule are infrequent promotional gifts for nominal value (\$50.00 or less), or infrequent entertainment personally hosted by a vendor representative (such as a restaurant meal) in conjunction with business discussions. Gifts of cash are absolutely prohibited. Covered Persons must refuse or return any improper gratuity.

**B. Personal Conflicts of Interest**

Direct reporting or co-working relationships involving relatives or significant others in any capacity, whether by contract or through an outside service agency, may create conflicts of interest potentially harmful to both the Company and the Covered Persons involved and are generally discouraged.

These situations, and others like them, where loyalties to Rural/Metro could be compromised, must be avoided. Covered Persons who believe they are involved in a potential conflict of interest have a responsibility to discuss it with their supervisor or the Legal Department.

**C. Media and Investor Inquiries**

This prohibition applies specifically, but is not exclusive to, inquiries about the Company, which may be made by the media, securities analysts, investors or non-Company attorneys. It is important that all such communications on behalf of the company be made only through an appropriately designated individual under carefully controlled circumstances. Unless a Covered Person is expressly authorized to make such communications, if a Covered Person receives any inquiry related to the Company, whether from the media, a securities analyst, an investor, or non-Company attorney or otherwise, he or she should decline comments and refer the inquiry to either the Director of Corporate Communications or the Legal Department.

#### **D. Insider Trading**

It is illegal to buy or sell securities (either personally or on behalf of others) on the basis of material, non-public information. It is also illegal to communicate (i.e., to "tip") material, non-public information to others so that they may buy or sell securities on the basis of that information. All Covered Persons who know material, non-public information about Rural/Metro or any other company are prohibited from trading (directly or indirectly), or tipping others to trade in the securities of that company, and further are prohibited from disclosing such information to others. Covered Persons may be subject to additional insider trading restrictions as set forth in the Rural/Metro Insider Trading Policy, as adopted from time to time.

Material, non-public information is factual information that a reasonable investor would want to know before making an investment decision. Examples of material, non-public information may include (but are not limited to):

- Quarterly or annual financial results
- Financial forecasts
- Significant financial developments
- Possible mergers, acquisitions, joint ventures or divestitures
- Awards or losses of important contracts
- Significant product developments

These prohibitions continue for as long as the information you know remains material and non-public. Anyone who gives such non-public information to others may be subject to disciplinary action and possible criminal prosecution.

If any Covered Person becomes aware of a leak of confidential non-public information, whether inadvertent or otherwise, he or she should immediately report the disclosure to the Legal Department. If there is any doubt as to his or her responsibilities under this policy, the Covered Person should seek clarification and guidance from the Legal Department before acting.

#### **E. Political Contributions**

It is illegal for a corporation or any Covered Person to use corporate funds to make a contribution or expenditure either directly or indirectly to a candidate seeking political office at the federal level. Penalties under federal law provide for fines up to \$25,000 or 300% of the amount of the contribution and/or imprisonment up to one year.

It is illegal in many states for a corporation or any Covered Persons to use corporate funds either directly or indirectly to support political candidates in state or local elections. In these states, severe penalties are imposed on corporations or corporate employees that violate this prohibition.

**F. Government Proprietary and Source Selection Information**

Rural/Metro does not solicit nor will it receive any sensitive proprietary internal government information, including budgetary, program or source selection information, before it is available through normal processes.

**VII. REPORT TO BOARD OF DIRECTORS**

At least annually , the Corporate Compliance Officer shall report to Rural/Metro's Board of Directors concerning: (1) Rural/Metro's adherence to the standards of legal and ethical conduct contained in the Code; and (2) the Compliance Program, generally.

**VIII. REPORTING VIOLATIONS AND DISCIPLINE**

Your conduct can reinforce an ethical atmosphere and positively influence the conduct of fellow employees. You must proactively promote ethical behavior as a responsible employee or officer among those people in your work environment. If you are powerless to stop suspected misconduct or discover it after it has occurred, you must report it to the appropriate level of management at your location. Misconduct cannot be excused because it was directed or requested by another. In this regard, you are expected to alert management whenever an illegal, dishonest or unethical act is discovered or suspected.

Strict adherence to this Code is vital. Supervisors are responsible for ensuring that Covered Persons are aware of and adhere to the provisions of the Code. For clarification or guidance on any point in the Code, please consult the Compliance Office or Legal Department.

Covered Persons who are aware of or suspect a violation to this Code or other irregularities are expected to report these alleged violations within in (5) working days to their supervisor, the Compliance Office, or if anonymity is desired, by using the **Compliance Hotline at 888-253-4558**. Covered Persons will not be disciplined or otherwise retaliated against as a result of reporting such conduct, also as discussed more fully under "Retaliation". All reports must contain sufficient information for the Corporate Compliance Officer to investigate the concerns raised. No adverse action or retribution of any kind will be taken by Rural/Metro against a Covered Person because he or she reports a suspected violation of this Code or other irregularity by any person. Rural/Metro will attempt to treat such reports confidentially. **(See Compliance Policy #003 For Reporting/Investigation Noncompliance)**

Upon receipt of credible reports of suspected violations or irregularities, the Compliance Department shall immediately begin a detailed investigation and take corrective action where appropriate. Violations of the Code may result in discipline ranging from warnings and reprimand to discharge or, where appropriate the filing of a civil or criminal complaint. Disciplinary decisions will be made by operational management in

accordance with Rural/Metro's Corrective Action Plan, and is subject to review by the Corporate Compliance Officer, Legal Department and the Director of Human Resources. Covered Persons will be informed of the charges against them and will be given the opportunity to state their position before disciplinary actions are imposed.

**A. Consequences of Noncompliance**

Any person who ignores or violates this Code or any of the Company's ethical standards or other policies, including failures to report potential violations by others, will be subject to disciplinary action, up to and including termination of employment.

**B. Retaliation**

Any person who takes any action in retaliation against any director or employee who has in good faith raised any question or concern about compliance with this Code will be subject to serious sanctions, which may include dismissal for cause. If you suspect that you or someone you know has been retaliated against for reporting possible misconduct, you should contact your supervisor, manager, Human Resources representative, the Corporate Compliance Department, the Internal Audit Department or one of the hotlines immediately.

**C. Waivers**

Any employee who believes that an exception to any of these guidelines is appropriate should contact his or her immediate supervisor. The supervisor should seek the approval of the Legal Department. All waivers for the principal executive officer, principal financial officer, principal accounting officer or controller, persons performing similar functions, or any other executive officers, and all waivers for directors, must be granted by the Board of Directors and will be disclosed by the filing a Form 8-K with the Securities and Exchange Commission, or by utilizing another disclosure method in compliance with the laws and rules of the Securities and Exchange Commission and the Nasdaq Stock Market. In general, the granting of waivers is discouraged.

**IX. CORPORATE HOTLINES**

Rural/Metro employees have many options for seeking compliance advice or reporting misconduct. Employees can contact their supervisor, manager, Human Resources Department, the Corporate Compliance Department, the Legal Department, or Internal Audit Department. Additionally, violations may be reported through one of the various confidential and anonymous hotlines described below. Each hotline is screened through a third-party hotline service in order to insure confidentiality and anonymity. If you are reporting misconduct regarding senior management, please contact Rural/Metro's Legal Department or one of the hotlines.

1. **Rural/Metro Corporate Governance Hotline: 866-225-5582-** To report alleged issues pertaining to accounting, internal accounting controls, or auditing matters you may use the Rural/Metro Corporate Governance Hotline. This hotline may be accessed via a 24-hour, toll free number, via e-mail or via the World Wide Web. In addition to this policy the hotline number, e-mail address and web address can be found on the Company's intranet or on employee communications located in the workplace.
2. **Rural Metro Compliance Hotline: 888-253-4558-** To report issues of healthcare fraud and abuse or potential Healthcare Insurance Portability and Accountability Act (HIPAA) violations you may contact the 24-hour toll-free Rural/Metro Compliance Hotline. In addition to this policy the hotline number, e-mail address and web address can be found on the Company's intranet or on employee communications located in the workplace.
3. **Rural/Metro Human Resources Employee Hotline: 877-631-5722-** To report alleged workplace misconduct or violations of Company policies or procedures you may contact the 24-hour, toll-free Rural/Metro Human Resources Employee Hotline. In addition to this policy the hotline number, e-mail address and web address can be found on the Company's intranet or on employee communications located in the workplace.
4. **Rural/Metro Safety Hotline at 888-RMC-RISK (888-762-7475)-** To report issues related to workplace health and safety you may contact the 24-hour, toll-free Rural/Metro Safety Hotline. In addition to this policy the hotline number, e-mail address and web address can be found on the Company's intranet or on employee communications located in the workplace.

**X. LIMITATION ON EFFECT OF CODE OF ETHICS AND BUSINESS CONDUCT**

Nothing contained in this Code is to be construed or interpreted to create a contract of employment, either express or implied, nor is anything contained in this Code intended to alter a person's status of employment with Rural/Metro to the conditions under the "Person to Person" program (See Employee Handbook), and collective bargaining agreements.

**XI. RESERVATION OF RIGHTS**

Rural/Metro reserves the right to amend the Code, in whole or in part, at any time and solely at its discretion.

List of Exhibits:

- A. Statement of Understanding of and Compliance with Rural/Metro's Code of Ethics and Business Conduct and Compliance Program



# **RURAL/METRO®**

## **GENERAL COMPLIANCE POLICY & PROCEDURE**

### **STATEMENT OF UNDERSTANDING OF AND COMPLIANCE WITH RURAL/METRO'S CODE OF ETHICS AND BUSINESS CONDUCT AND COMPLIANCE PROGRAM**

I certify that I have received, read and understand the Rural/Metro Code of Ethics and Business Conduct and the Corporate Compliance Program. I acknowledge my commitment and responsibility to follow the standards, policies and procedures discussed in the Rural/Metro Code of Ethics and Business Conduct and the Corporate Compliance Program when I am involved in activities on Rural/Metro's behalf.

I also acknowledge my personal responsibility to seek guidance when I have questions or need further clarification, and to report any alleged or suspected violation of any laws, regulations, the Rural/Metro Code of Ethics and Business Conduct or the Corporate Compliance Program to my supervisor or the Corporate Compliance Officer.

I understand that any violation of any laws, regulations, the Rural/Metro Code of Ethics and Business Conduct, the Corporate Compliance Program or any other corporate compliance policy or procedure including, but not limited to, my failure to report any alleged or suspected violations of such policies is grounds for disciplinary action, up to and including discharge from my employment with Rural/Metro.

I also certify that I have not been convicted of, or charged with, a criminal offense related to healthcare nor have I been listed by a federal agency as debarred, excluded or otherwise ineligible for participation in federally funded health care programs.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print/Type Name

\_\_\_\_\_  
Position

**Please return this form to the Corporate Compliance Department  
with a copy to Human Resources. Fax: 480-606-3260.**

ATTACHMENT 1

## ATTACHMENT 2

### ANTI-KICKBACK POLICY



RURAL/METRO®

### GENERAL COMPLIANCE POLICY & PROCEDURE

Department: All Departments	General Policy: 008	
Subject: Compliance with the Federal Anti-Kickback Statute	Services: All Lines	HCPCS: N/A
Original Date: May 15, 2007	Approval Date: May 16, 2007	Page(s): 3

#### PURPOSE

The purpose of this policy is to ensure that the Rural/Metro's current and future Arrangements are structured in compliance with the federal Anti-Kickback Statute, 42 U.S.C. 1320a-7(b) (the "Anti-Kickback Statute") and to ensure compliance with the Corporate Integrity Agreement, entered into between the Rural/Metro and the U.S. Department of Health and Human Services Office of Inspector General ("OIG") on April 18, 2007. The Corporate Integrity Agreement mandates specific training regarding these laws to ensure compliance with them.

#### POLICY

This policy applies to every arrangement or transaction (written and unwritten) involving, directly or indirectly, the offer, payment, solicitation, or receipt of anything of value entered into between the Rural/Metro Corporation, and its direct and indirect subsidiaries and affiliates, including its employees, agents or independent contractors ("Rural/Metro") and any actual or potential source of health care business or referrals to Rural/Metro or any actual or potential receipt of health care business or referrals from Rural/Metro ("Arrangement"). A copy of this policy shall be distributed to any party entering into an Arrangement with Rural/Metro in which Rural/Metro expects to receive 25 or more patient transports per calendar year.

#### I. GENERAL ANTI-KICKBACK STATUTE

***The Federal Anti-Kickback Statute is a broad statute prohibiting payments or discounts in exchange of patient referrals or access to patients for future transport services. It is the policy of Rural/Metro not to knowingly enter into any Arrangement which violates the Anti-Kickback Statute. All Arrangements can only be entered into in accordance with the policies and procedures set forth herein.***

The Anti-Kickback Statute is a broad statute which prohibits the offer, payment, solicitation, or receipt of anything of value in return for referring patients or for recommending items or services that are reimbursed in whole or in part by the Medicare and Medicaid programs. In particular, the Anti-Kickback Statute principally prohibits the payment of different forms of remuneration in exchange for the referral (or recommendation) of patients or other business (such as purchasing, leasing or ordering items or services) paid for by the federal government through



programs like Medicare or Medicaid. Remuneration targeted by the government can include cash or even non-cash items and often takes the forms of kickbacks, bribes, rebates or discounts.

Specific examples of the types of actions that could violate the federal Anti-kickback Statute include the following:

- ◆ Offering or paying anything of value to induce a hospital, skilled nursing facility, physician, etc. to call Rural/Metro for a patient transport;
- ◆ Soliciting or receiving anything of value from a hospital, skilled nursing facility, physician, etc. for transporting a Rural/Metro patient to the hospital, skilled nursing facility, physician, etc.; or
- ◆ Offering patient transports for free or at a substantial discount to induce a hospital, skilled nursing facility, physician, etc. to utilize Rural/Metro for the transport of their patients.

Arrangements which violate the Anti-Kickback Statute may subject Rural/Metro to criminal and civil fines and penalties (up to \$25,000 per violation), imprisonment for up to five years, exclusion from participation in Medicare and other Federal health care programs as well as liability under the Federal Civil False Claims Act. See General Policy #003 Reporting and Investigating Issues of Non-Compliance regarding the Federal Civil False Claims Act. Governmental sanctions for violations of this law also can lead to permanent restrictions in Rural/Metro's ability to enter into future contracts with county and governmental municipalities or receive Medicare and Medicaid Reimbursement.

***Rural/Metro has adopted a zero tolerance policy with regard to noncompliance with this policy and the law. Individuals that violate this policy may be suspended or terminated immediately at Rural/Metro's sole discretion. Rural/Metro encourages all employees and contractors that receive a copy of this policy to ask questions and address any concerns with Rural/Metro's Corporate Compliance Officer or General Counsel.***

## **II. COMPLIANCE WITH THE ANTI-KICKBACK STATUTE AT RURAL/METRO**

Compliance with the Anti-Kickback Statute and this policy are essential to the company's compliance with Rural/Metro's Corporate Integrity Agreement. Compliance is complicated given the breadth of this law and the fact that the government has indicated that intent is a key factor when assessing whether a particular arrangement complies with the law. Moreover, the statute has been interpreted to cover any arrangement where one purpose of the remuneration was to obtain or furnish money for the referral of services or to induce future referrals.

Certain relationships, such as facility transport arrangements (including intra-facility, inter-facility, stand-by, and personal care transport services) with hospitals, long term care facilities and physicians raise compliance issues because of the referral relationship that may exist between the parties. In particular, facility transport arrangements may violate the Anti-Kickback Statute if the service is provided "free of charge" or below "fair market value." As described in

General Policy #009 Contract Arrangements, Rural/Metro has implemented an Arrangements review process to ensure that these types of Arrangements are structured to comply with the Anti-Kickback Statute by ensuring, among other requirements, that the payment between the parties is not based, in whole or in part, on the volume or value of referrals between the parties and that the compensation is otherwise established in a manner consistent with fair market value for the items or services being furnished. Other types of common Arrangements at Rural/Metro may, depending upon the facts and circumstances, implicate the Anti-Kickback Statute including:

- ◆ Municipal/County EMS Contracts
- ◆ Ambulance Restocking Arrangements
- ◆ Compensation Arrangements with First Responders
- ◆ Arrangements with Patients
- ◆ Discounts Arrangements

The OIG has promulgated safe harbor regulations, which define practices that are not subject to the anti-kickback statute because such practices would be unlikely to result in fraud or abuse. The "safe harbors" set forth specific conditions that, if met, assure entities involved of not being prosecuted or sanctioned for the arrangement qualifying for the safe harbor. However, safe harbor protection is afforded only to those arrangements that precisely meet all of the conditions set forth in the safe harbor. To date, the OIG has issued twenty safe harbor provisions. Some examples of available safe harbors that may be applicable to Arrangements at Rural/Metro include:

- Space Rentals;
- Equipment Rentals;
- Personal Services and Management Contracts;
- Discounts;
- Employees;
- Price Reductions Offered to Health Plans;
- Shared Risk Arrangements; and
- Ambulance Restocking Arrangements.

It is important to recognize that an Arrangement is not necessarily illegal or otherwise prohibited merely because it does not meet each criteria of a safe harbor. The OIG has repeatedly stated that entities that do not meet each criterion of an applicable safe harbor do not necessarily violate the law or otherwise warrant sanctions. The Personal Services and Management Contracts safe harbor, for example, requires that the exact schedule of intervals and the annual aggregate compensation be "set in advance." Given the fact that transports are typically furnished on an "as needed" basis, it is not possible to meet these two criterion of the Personal Services and Management Contracts safe harbor.

***Where possible, all Arrangements at Rural/Metro will be structured to meet a safe harbor or, if not feasible, as many criterion of the safe harbor as feasible in a given situation. Questions regarding the specific safe harbors***

***as applied to any given Arrangement will be directed to the company's General Counsel and/or outside legal counsel.***

It is Rural/Metro's policy that all Arrangements be structured to comply with the Anti-Kickback Statute and that Rural/Metro distribute copies of this policy to any party entering into an Arrangement with Rural/Metro under which Rural/Metro expects to receive more than 25 patient transports.

This policy is not intended to provide an exhaustive analysis for every Arrangement that the company may seek to enter into. This policy is intended to provide an educational framework for the background of this important law.

### **III. QUESTIONS AND REPORTING**

If you have any questions regarding this Policy, please contact your manager, supervisor, or any member of the Rural/Metro Corporate Compliance Department, Compliance Committee or Legal Department.

To report any suspected violations of this or any other Rural/Metro Compliance Policies please phone the Compliance Hotline at **1-888-253-4558** or contact the Corporate Compliance Department directly.

## ATTACHMENT 3

### BUSINESS ASSOCIATE AGREEMENT

This Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between Southwest Ambulance and Rescue, Inc. of Arizona, a corporation, and its subsidiaries companies, (hereinafter, "Rural/Metro"), and the City of Goodyear (hereinafter, "Business Associate"). The parties agree as follows:

1. **Background.** Rural/Metro is governed by broad and extensive privacy and security laws and regulations regarding patient information, and its disclosure to anyone not specifically permitted is strictly prohibited by law. Under the Health Insurance Portability and Accountability Act of 1996, its related regulations, as amended ("HIPAA") and related laws and regulations, Rural/Metro is required to affirmatively and proactively protect any kind of disclosure of patient information (e.g., patient care records, CAD records, Rural/Metro dispatch communications involving patient information, etc.) that is defined as Protected Health Information ("PHI") and/or electronic Protected Health Information ("e-PHI") under HIPAA, and to request certain assurances from its business associates of their compliance with the law. Rural/Metro provides emergency and non-emergency medical transportation, fire protection and other related services to the communities it serves. Patient information is exchanged between Rural/Metro and the Business Associate pursuant to the parties' relationship. When PHI/e-PHI is provided to the Business Associate by Rural/Metro in the course of the parties' relationship, PHI/e-PHI must be handled in accordance with this Agreement pursuant to HIPAA.
2. **Definitions.** Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 CFR Sections 160.103 and 164.501.
3. **Obligations and Activities of Business Associate.** In conformity therewith, the Business Associate agrees that it will:
  - (a) Not use or further disclose PHI/e-PHI except as permitted under the Agreement or required by law.
  - (b) Use appropriate safeguards to prevent use or disclosure of PHI/e-PHI except as permitted by the Agreement.
  - (c) To mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI/e-PHI by Business Associate in violation of this Agreement.
  - (d) Implement administrative, physical and technical safeguards that reasonably and appropriately protects the confidentiality, integrity and availability of all PHI/e-PHI that it creates, receives, maintains or transmits on behalf of Rural/Metro.
  - (e) Report to Rural/Metro any use or disclosure of PHI/e-PHI not provided for by this Agreement of which Business Associate becomes aware.
  - (f) Alert Rural/Metro of any security incident (as defined by the HIPAA Security Rule) of which it becomes aware, and the steps it has taken to mitigate any potential

security compromise that may have occurred, and provide a report to Rural/Metro of any loss of data or other information system compromise as a result of the incident.

(g) Ensure that any agents or subcontractors to whom Business Associate provides PHI/e-PHI, or who have access to PHI/e-PHI, or who the Business Associate receives PHI/e-PHI from, agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI/e-PHI;

(h) Ensure that any agent, including a subcontractor, to whom it provides PHI/e-PHI that was created, received, maintained or transmitted on behalf of Rural/Metro, agrees to implement reasonable and appropriate safeguards to protect the confidentiality, security, and integrity of PHI/e-PHI.

(i) Make PHI/e-PHI available to Rural/Metro and to the individual who has a right of access as required under HIPAA within thirty (30) days of the request by Rural/Metro regarding the individual;

(j) Incorporate any amendments or changes to PHI/e-PHI and/or to this Agreement when directed by Rural/Metro;

(k) Provide an accounting of all uses or disclosures of PHI/e-PHI made by Business Associate as required under the HIPAA privacy rule within sixty (60) days when requested; and

(l) Make its internal practices, books and records relating to the use and disclosure of PHI/e-PHI available to the Rural/Metro or Secretary of the Department of Health and Human Services for purposes of determining Business Associate's and Rural/Metro's compliance with HIPAA and or otherwise required by law.

4. **Permitted Uses and Disclosures by Business Associates.** The specific uses and disclosures of PHI/e-PHI that may be made by Business Associate on behalf of Rural/Metro include:

(a) To perform functions, activities, or services for, or on behalf of, Rural/Metro as specified in the Agreement and in compliance with the HIPAA Privacy and/or Security Rules;

(b) For the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate;

(c) As required by law;

(d) Other uses or disclosures of PHI/e-PHI as permitted by the HIPAA Privacy and Security Rules.

5. **Notices.** Any notice required or permitted to be given pursuant to any provisions of this Agreement shall be given in writing, and deposited with the United States Postal Service, postage pre-paid, registered or certified mail, return receipt requested, or by a nationally recognized overnight courier service, addressed as follows:

**To Rural/Metro:**

Rural/Metro Corporation  
9221 East Via de Ventura  
Scottsdale, Arizona 85258  
Attn: General Counsel

**To Facility: (Business Associate)**

**With a copy to:**

Rural/Metro

\_\_\_\_\_  
\_\_\_\_\_  
Attn: Division General Manager

Either party may change the notification addresses listed above with proper written notice.

**6. Effective Date and Termination.**

(a) Notwithstanding any other agreement(s), this Agreement shall be effective as of the date first written above, and may be terminated by Rural/Metro, in its sole discretion, if Rural/Metro determines that Business Associate has violated a term or provision of this Agreement, or if Business Associate engages in conduct which would, if committed by Rural/Metro, result in violation of the HIPAA Privacy or Security Rules.

(b) At the termination of this Agreement, Business Associate agrees to return and/or destroy all PHI/e-PHI received from, or created, or received by Business Associate on behalf of Rural/Metro, and if return is infeasible, the protections and requirements of this Agreement will survive such termination and extend to such PHI/e-PHI.

(c) Rural/Metro authorizes termination of this Agreement if Rural/Metro reasonably determines that Business Associate has violated a material term of this Agreement.

This Agreement is agreed upon as of the date first written above by the authorized representatives below:

"RURAL/METRO"

"BUSINESS ASSOCIATE"

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**Rural/Metro<sup>®</sup>  
Corporation**  
*50 Years of Serving Others*

April 26, 2011

**VIA HAND DELIVERY**

***Re: Acknowledgement of Performance Bond***

To Whom It May Concern:

Rural/Metro Corporation ("Rural/Metro") hereby delivers and the City of Goodyear in the State of Arizona ("Customer") accepts the attached performance bond in the amount of \$1,000,000.00, as required by and in compliance with that certain agreement for Customer ("Contract"). To the extent the attached performance bond is a renewal or replacement bond, acceptance of the attached performance bond immediately terminates any other existing and outstanding bond currently held for the benefit of Customer relating to the Contract. Upon request of Rural/Metro, Customer shall return the signed original of such previous outstanding bond being replaced.

Sincerely,

Kristine B. Ponczak  
SVP & CFO

Agreed and acknowledged by Customer:

By: MARTIE FOELK

Name: Martie Foelk

Title: Legal Services Coordinator

Date: May 2, 2011

**PLATTE RIVER INSURANCE COMPANY  
MADISON, WISCONSIN**

**BOND CONTINUATION CERTIFICATE**

**City of Goodyear  
119 N Litchfield Road  
Goodyear AZ 85338**

**Southwest Ambulance and Rescue of Arizona**, as Principal, and **Platte River Insurance Company**, as Surety, hereby notify the **City of Goodyear**, as obligee, that bond number **41139724** in the amount of **\$1,000,000.00** shall be continued in force effective **May 1, 2011** through **April 30, 2012**.

The aggregate liability of the Surety shall not exceed the amount of this certificate. The liability of the Surety shall not accumulate by reason of this certificate, any further continuation certificate, any change rider, endorsement, modification, new bond, reinstatement, reissue, renewal, replacement, substitution or any other extension of suretyship.

IN WITNESS OF THIS CONTRACT, the Principal and the Surety have affixed their hands and seals this 122nd day of April, 2011.

**Southwest Ambulance and Rescue of Arizona**

By: Kurt Ponzak, CFO

**Platte River Insurance Company**

By: David Sparks  
David Sparks, Attorney-in-Fact

CX1254-09  
CX-1758-11



AGENDA ITEM # 8.A.  
DATE: February 14, 2011  
COAC NUMBER: 11-4578

**CITY COUNCIL ACTION FORM**

**SUBJECT: Approve Sole Provider  
Contract with Southwest Ambulance.**

**STAFF PRESENTER:** Paul Luizzi,  
Interim Fire Chief

**COMPANY  
CONTACT:**

**RECOMMENDATION:**

*Con-CY-1758-11*

Council approve sole provider contract for dedicated ambulance service with Southwest Ambulance.

**EXECUTIVE SUMMARY:**

Approval of the sole provider contract with Southwest Ambulance will provide dedicated ambulances for the City of Goodyear. Benefits include a maximum allowable response time of ten minutes on high priority calls; cost sharing for City-provided call intake/dispatch; consistent quality of patient care and customer service; replacement of consumable EMS supplies and equipment on any call that contractor transports a patient to the hospital; and enhanced City control of our overall emergency medical service (EMS) system.

Through the contractual agreement, the City of Goodyear will receive payment from Southwest Ambulance, in the amount of slightly over \$80.00, for each Fire Department service when fire personnel accompany the patient(s) during ambulance transport to the receiving medical facility. We project an annual revenue stream of approximately \$63,000, given 20-25% of the current call volume requires this type of Fire Department service. (Paul Luizzi, Interim Fire Chief)

**COMMUNITY BENEFIT:**

The chief benefits of a contractual agreement with a private emergency ambulance transport firm include: dedicated ambulances for the City of Goodyear with a maximum allowable response time of ten minutes on high priority calls; cost sharing for City-provided call intake/dispatch; consistent quality of patient care and customer service; replacement of consumable EMS supplies and equipment on any call that contractor transports a patient to the hospital; and enhanced City control of our overall emergency medical service (EMS) system.

**DISCUSSION:**

On April 25, 2005, the Goodyear Fire Department presented to Mayor and City Council a report on ambulance transport service within the City of Goodyear. Fire Department executive staff presented a benchmark analysis which displayed the current status of

Valley communities providing one of the following ambulance transport services: Non-contracted Private Ambulance Provider, Fire-based Ambulance Transport Service, and Contracted Private Ambulance Provider. Mayor and City Council directed staff to request proposals from qualified firms to provide emergency ambulance transport service under contract with the City of Goodyear, for incidents occurring within City boundaries.

Since receiving Council direction, our efforts were delayed by conflict occurring between the Arizona Department of Health Services (ADHS) (the regulatory body for ambulance Certificate of Need) and several Valley cities. Arizona Department of Health Services has taken exception to the principles set out in some sole provider contracts submitted by the provider and the cities in question. There has been some delay as the change in ADHS' perspective has been articulated more clearly.

Since April 2007, we have been diligently working on the ambulance contract. Deputy Chief Paul Luizzi outlined the requirements of the contract. In May 2007, Paul Luizzi, Deputy Fire Chief; Elizabeth Simpson, former Assistant City Attorney; and Bob Carrier, Procurement Officer met to discuss the next step in the ambulance contract negotiations.

After several meetings, it was determined by the legal staff and the procurement officer to abandon the request for proposal process and, instead, negotiate with the only legal holder of an ambulance Certificate of Need (CON) for the City of Goodyear, Southwest Ambulance. We have developed the final pieces of the contract and scope of work with Elizabeth Simpson. Priorities for negotiation included ambulance coverage for underserved areas of Goodyear (Estrella Mountain Ranch), equipment and communications interoperability, and compatibility for seamless customer care.

On April 27, 2009, Mayor and City Council approved the contract for dedicated ambulance service with Southwest Ambulance. However, ADHS was not in full agreement of the principles set out in the sole provider contract with Southwest Ambulance and, once again, the contract was delayed. Since then, Paul Luizzi, Interim Fire Chief, has been diligently working with Goodyear City Attorney and ADHS negotiating the principles set out in the sole provide contract with Southwest Ambulance.

#### **FISCAL IMPACT:**

Through the contractual agreement, the City of Goodyear will receive payment from Southwest Ambulance, in the amount of slightly over \$80.00, for each Fire Department service when fire personnel accompany the patient(s) during ambulance transport to the receiving medical facility. We project an annual revenue stream of approximately \$63,000, given 20-25% of the current call volume requires this type of Fire Department service.

### Southwest Ambulance

Southwest Ambulance was founded in 1982 with one ambulance. Since then, the company has grown into the largest ambulance transportation provider in Arizona. Southwest Ambulance serves more than 40 communities with more than 1200 talented and dedicated employees. The company has more than 300 ambulances, and approximately 100 stations in Graham, Maricopa, Pinal, and Pima counties. Three of those stations are currently in Goodyear. Despite not having a formal contract, Southwest Ambulance has been the sole emergency ambulance transportation provider for Goodyear, in partnership with the Goodyear Fire Department, for more than 31 years.



# REQUEST FOR CONTRACT REVIEW

[Please obtain Contract Number from Fernando Camacho in Finance, #7844 before completing this FORM]

Please fill out this form completely or the Contract Review Committee will return it to you without approval or review. If a response is not applicable, please use "N/A."

## IDENTIFYING INFORMATION: [Please fill in each field]

Requesting Dept. (Dept, Name, Tel No):  
Fire, Paul Luizzi, x7109  
Contractor Name (Name, Address, Tel No):  
Southwest Ambulance  
9221 E Via De Ventura  
Scottsdale AZ 85258

Brief Summary of the Services to be Provided:  
Sole Provider Ambulance Contract  
Assigned Contract Number: CON-CX-1254-09  
Term of Contract: 5/1/09 to  
Amount of This Contract: \$  
Add'l Terms (# of extensions/renewals, etc.):

Type (check one): Contract ☒ Renew: ☐

## PROCUREMENT PROCESS

Designate what method was used to arrange

- ☐ Less than \$5000 ☐ \$5,000 to \$50,000 – 3 w  
☐ Formal Solicitation, Incl. Solicitation Number  
☒ Other – please name (e.g., sole source, dem  
Budgeted: ☐ Yes ☐ No Requires Council Ac  
ADDITIONAL COMMENTS?

REMAINDER TO BE ( )  
Changes are required to this contract as ( )

If approved, initial below.

- ☐ Contract Admin  
☐ Procurement  
☐ Risk Management  
☐ Legal  
☐ City Manager

☐ Route to City Clerk for retention



GOODYEAR FIRE  
DEPARTMENT

Administrative Services

Hi Bob,  
This performance bond  
is part of our contract  
with Southwest Ambulance.

Thanks,  
Lessie x7100

It's not what we do, it's how we do it.



April 25, 2012

**VIA HAND DELIVERY**

***Re: Acknowledgement of Performance Bond***

To Whom It May Concern:

Rural/Metro Corporation ("Rural/Metro") hereby delivers and the City of Goodyear in the State of Arizona ("Customer") accepts the attached performance bond in the amount of \$1,000,000.00, as required by and in compliance with that certain agreement for Customer ("Contract"). To the extent the attached performance bond is a renewal or replacement bond, acceptance of the attached performance bond immediately terminates any other existing and outstanding bond currently held for the benefit of Customer relating to the Contract. Upon request of Rural/Metro, Customer shall return the signed original of such previous outstanding bond being replaced.

Sincerely,

Kevin Moore  
VP & Treasurer

Agreed and acknowledged by Customer:

By:

Name: Mark A. Gaillard

Title: Fire Chief

Date: May 2, 2012

CONTINUATION  
CERTIFICATE

PLATTE RIVER INSURANCE COMPANY

, Surety upon

a certain Bond No. 41139724

dated effective May 1, 2009  
(MONTH-DAY-YEAR)

on behalf of SOUTHWEST AMBULANCE AND RESCUE OF ARIZONA  
(PRINCIPAL)

and in favor of CITY OF GOODYEAR, AZ  
(OBLIGEE)

does hereby continue said bond in force for the further period

beginning on 5/1/2012  
(MONTH-DAY-YEAR)

and ending on 4/30/2013  
(MONTH-DAY-YEAR)

Amount of bond \$1,000,000.00

Description of bond Ambulance Service

**PROVIDED:** That this continuation certificate does not create a new obligation and is executed upon the express condition and provision that the Surety's liability under said bond and this and all Continuation Certificates issued in connection therewith shall not be cumulative and that the said Surety's aggregate liability under said bond and this and all such Continuation Certificates on account of all defaults committed during the period (regardless of the number of years) said bond had been and shall be in force, shall not in any event exceed the amount of said bond as hereinbefore set forth.

Signed and dated on 4/6/2012  
(MONTH-DAY-YEAR)

PLATTE RIVER INSURANCE COMPANY

By

  
ATTORNEY-IN-FACT K.D. Conrad

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

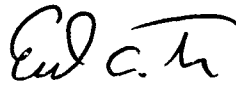
On APR 06 2012 before me, Edward C. Spector Notary Public, personally appeared K.D. Conrad who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

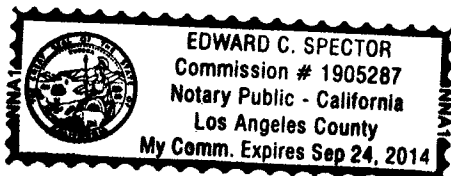
WITNESS my hand and official seal.

(seal)

Signature



Edward C. Spector, Notary Public





PLATTE RIVER INSURANCE COMPANY  
POWER OF ATTORNEY

41247289

KNOW ALL MEN BY THESE PRESENTS, That the PLATTE RIVER INSURANCE COMPANY, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-----E.S. ALBRECHT, JR; TRACY ASTON; THOMAS BRANIGAN; K.D. CONRAD; ASHRAF ELMASRY; SIMONE GERHARD-----  
-----CHARLENE K. NAKAMURA; BRENDA WONG-----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

-----ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED: \$5,000,000.00-----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PLATTE RIVER INSURANCE COMPANY at a meeting duly called and held on the 8th day of January, 2002.

"RESOLVED, that the President, and Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and the seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

IN WITNESS WHEREOF, the PLATTE RIVER INSURANCE COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 2nd day of May, 2011.

Attest:

*Richard W. Allen III*  
Richard W. Allen III  
President  
Surety & Fidelity Operations



PLATTE RIVER INSURANCE COMPANY

*David F. Pauly*  
David F. Pauly  
CEO & President

STATE OF WISCONSIN } S.S.:  
COUNTY OF DANE

On the 2nd day of May, 2011 before me personally came David F. Pauly, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President of PLATTE RIVER INSURANCE COMPANY, the corporation described herein and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE

*Daniel W. Krueger*

Daniel W. Krueger  
Notary Public, Dane Co., WI  
My Commission Is Permanent

STATE OF WISCONSIN } S.S.:  
COUNTY OF DANE

I, the undersigned, duly elected to the office stated below, now the incumbent in PLATTE RIVER INSURANCE COMPANY, a Nebraska Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this \_\_\_\_\_ day of \_\_\_\_\_, 2012.



*Alan S. Ogilvie*  
Alan S. Ogilvie  
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON GREEN SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450.





**John G. Ford**  
Director of Customer Service & Contracts  
Southwest Zone

708 W. Baseline Road • Mesa, AZ • 85210  
Cell: 480.209.7944  
john.ford@rmetro.com

March 20, 2013

**VIA HAND DELIVERY**

**Re: Acknowledgement of Performance Bond**

To Whom It May Concern:

Rural/Metro Corporation ("Rural/Metro") hereby delivers and the City of Goodyear in the State of Arizona ("Customer") accepts the attached performance bond in the amount of \$1,000,000.00, as required by and in compliance with that certain agreement for Customer ("Contract"). To the extent the attached performance bond is a renewal or replacement bond, acceptance of the attached performance bond immediately terminates any other existing and outstanding bond currently held for the benefit of Customer relating to the Contract. Upon request of Rural/Metro, Customer shall return the signed original of such previous outstanding bond being replaced.

Sincerely,

Kevin Moore  
VP & Treasurer

Agreed and acknowledged by Customer:

By: Sue Brungardt

Name: SUE BRUNGARDT

Title: Acting City Clerk

Date: April 11, 2013

CONTINUATION  
CERTIFICATE

PLATTE RIVER INSURANCE COMPANY

, Surety upon

a certain Bond No. 41139724

dated effective May 1, 2009  
(MONTH-DAY-YEAR)

on behalf of SOUTHWEST AMBULANCE AND RESCUE OF ARIZONA  
(PRINCIPAL)

and in favor of CITY OF GOODYEAR, AZ  
(OBLIGEE)

does hereby continue said bond in force for the further period

beginning on 5/1/2013  
(MONTH-DAY-YEAR)

and ending on 4/30/2014  
(MONTH-DAY-YEAR)

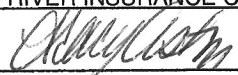
Amount of bond \$1,000,000.00

Description of bond Ambulance Service

**PROVIDED:** That this continuation certificate does not create a new obligation and is executed upon the express condition and provision that the Surety's liability under said bond and this and all Continuation Certificates issued in connection therewith shall not be cumulative and that the said Surety's aggregate liability under said bond and this and all such Continuation Certificates on account of all defaults committed during the period (regardless of the number of years) said bond had been and shall be in force, shall not in any event exceed the amount of said bond as hereinbefore set forth.

Signed and dated on 3/13/2013  
(MONTH-DAY-YEAR)

PLATTE RIVER INSURANCE COMPANY

By   
ATTORNEY-IN-FACT Tracy Aston

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

MAR 13 2013

On \_\_\_\_\_ before me, Edward C. Spector Notary Public, personally appeared Tracy Aston who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

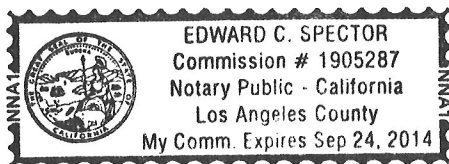
WITNESS my hand and official seal.

(seal)

Signature



Edward C. Spector, Notary Public



PLATTE RIVER INSURANCE COMPANY  
POWER OF ATTORNEY

41259919

KNOW ALL MEN BY THESE PRESENTS, That the **PLATTE RIVER INSURANCE COMPANY**, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-----E.S. ALBRECHT, JR; TRACY ASTON; THOMAS BRANIGAN; K.D. CONRAD; ASHRAF ELMASRY; SIMONE GERHARD-----

-----CHARLENE K. NAKAMURA; BRENDA WONG-----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

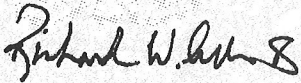
-----ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED: \$5,000,000.00-----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of **PLATTE RIVER INSURANCE COMPANY** at a meeting duly called and held on the 8th day of January, 2002.

"**RESOLVED**, that the President, and Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof; one or more vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and the seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."


IN WITNESS WHEREOF, the **PLATTE RIVER INSURANCE COMPANY** has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 2nd day of May, 2011.

Attest:

  
Richard W. Allen III  
President  
Surety & Fidelity Operations



PLATTE RIVER INSURANCE COMPANY

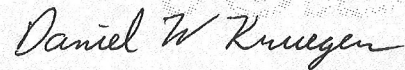
  
David F. Pauly  
CEO & President

STATE OF WISCONSIN } s.s.:  
COUNTY OF DANE

On the 2nd day of May, 2011 before me personally came David F. Pauly, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President of **PLATTE RIVER INSURANCE COMPANY**, the corporation described herein and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE




Daniel W. Krueger  
Notary Public, Dane Co., WI  
My Commission Is Permanent

STATE OF WISCONSIN } s.s.:  
COUNTY OF DANE

I, the undersigned, duly elected to the office stated below, now the incumbent in **PLATTE RIVER INSURANCE COMPANY**, a Nebraska Corporation, authorized to make this certificate, **DO HEREBY CERTIFY** that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this \_\_\_\_\_ day of \_\_\_\_\_, 2013.



  
Alan S. Ogilvie  
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON GREEN SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450.

PR-POA (5-11)



April 20, 2015

City of Goodyear  
Attn: Russ Braden  
14455 W. Van Buren Street  
Suite E-103  
Goodyear, AZ 85338

VIA OVERNIGHT DELIVERY

RE: Performance Bond Certificate and Acknowledgement of Delivery  
Continuation Certificate -Bond # 41316560

Dear Ms. Schepler:

Enclosed is the continuation certificate pertaining to the contract Southwest Ambulance and Rescue of Arizona.

Please send acknowledgement of bond delivery to my attention via email at [Christine.Loch@rmetro.com](mailto:Christine.Loch@rmetro.com)

Feel free to contact me if you have any questions at 480-606-3222.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Loch", is written over a faint, larger version of the same signature.

Christine Loch – ARM, AIC  
Director of Risk Management

## CONTINUATION CERTIFICATE

Premium Amount: \$30,000.00

The Platte River Insurance Company (hereinafter called the Surety) hereby continues in force its Bond No. 41139724 in the sum of One Million and 00/100 (\$1,000,000.00) Dollars, on

behalf of Southwest Ambulance and Rescue of Arizona, Principal

in favor of City of Goodyear, AZ, Obligee

subject to all the conditions and terms thereof May 1, 2015 through April 30, 2016 at location of risk.

This Continuation is executed upon the express condition that the Surety's liability shall not be cumulative and shall be limited at all times by the amount of the penalty stated in the bond.

IN WITNESS WHEREOF, the Surety has caused this instrument to be signed by its duly authorized Attorney-in-Fact and its corporate seal to be hereto affixed this 31<sup>st</sup> day of March, 2015.

Platte River Insurance Company

Surety

By: 

Dennis Langer, Attorney-in-Fact



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of LOS ANGELES )

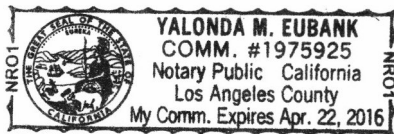
On MARCH 31, 2015 before me, YALONDA M. EUBANK, NOTARY PUBLIC  
Date Here Insert Name and Title of the Officer

personally appeared DENNIS LANGER  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(x) whose name(x) is/xxx subscribed to the within instrument and acknowledged to me that he/xxxxxxx executed the same in his/xxxxxxx authorized capacity(xxx) and that by his/h/xxxxxxx signature(x) on the instrument the person(x) or the entity upon behalf of which the person(x) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Yalonda M. Eubank  
Signature of Notary Public  
YALONDA M. EUBANK, NOTARY PUBLIC

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Cont. Cert- Bond 41139724 Document Date: MARCH 31, 2015

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: NONE

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: DENNIS LANGER

- ☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Individual ☒ Attorney in Fact  
☐ Trustee ☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- ☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Individual ☐ Attorney in Fact  
☐ Trustee ☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

PLATTE RIVER INSURANCE COMPANY  
POWER OF ATTORNEY

41316560

KNOW ALL MEN BY THESE PRESENTS, That the PLATTE RIVER INSURANCE COMPANY, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-----PAUL BOUCHER; LEONARD G. FODEMSKI; THOMAS MCCALL; JANINA MONROE; TIMOTHY J. NOONAN; DENNIS LANGER-----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

-----ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED \$20,000,000.00-----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PLATTE RIVER INSURANCE COMPANY at a meeting duly called and held on the 8th day of January, 2002.

"RESOLVED, that the President, and Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of the company; the signature of such officers and the seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

IN WITNESS WHEREOF, the PLATTE RIVER INSURANCE COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 8th day of January, 2014.

Attest:

*Richard W. Allen III*

Richard W. Allen III  
President  
Surety & Fidelity Operations



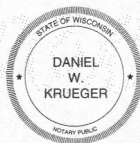
PLATTE RIVER INSURANCE COMPANY

*Stephen J. Sills*

Stephen J. Sills  
CEO & President

STATE OF WISCONSIN } S.S.:  
COUNTY OF DANE

On the 8th day of January, 2014 before me personally came Stephen J. Sills, to me known, who being by me duly sworn, did depose and say: that he resides in the County of New York, State of New York; that he is President of PLATTE RIVER INSURANCE COMPANY, the corporation described herein and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE

*Daniel W. Krueger*

Daniel W. Krueger  
Notary Public, Dane Co., WI  
My Commission Is Permanent

STATE OF WISCONSIN } S.S.:  
COUNTY OF DANE

I, the undersigned, duly elected to the office stated below, now the incumbent in PLATTE RIVER INSURANCE COMPANY, a Nebraska Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this \_\_\_\_\_ day of MAR 31 2015, 2 \_\_\_\_\_.



*Alan S. Ogilvie*

Alan S. Ogilvie  
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON GREEN SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL, 800-475-4450. PR-POA (Rev. 11-13)