

# ORIGINAL

## FIRST AMENDMENT TO 2011 EMERGENCY MEDICAL SERVICES AGREEMENT

This First Amendment ("First Amendment") to the 2011 Emergency Medical Services Agreement ("Agreement") is entered into on the 1st day of July 1, 2013, by and between the City of San Diego, California, hereinafter called the City ("City"), and Rural/Metro of San Diego, Inc., a California corporation, hereinafter called Rural/Metro ("Rural/Metro"), the City and together with Rural/Metro, the "Parties".

### RECITALS

- A. Whereas, the Parties entered into a 2011 Emergency Medical Services Agreement dated July 1, 2011, for emergency ambulance transportation services.
- B. Whereas, the City and Rural/Metro desire to amend the Agreement subject to the terms and conditions set forth herein.

### AGREEMENT

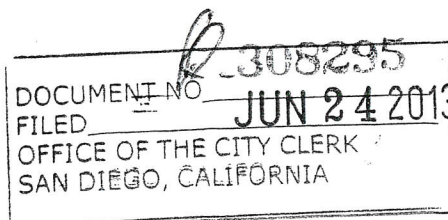
NOW, THEREFORE, for and in consideration of the foregoing, the mutual promises, covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Term. Section 2.1 of the Agreement is hereby amended to provide that the Term of the Agreement shall be extended for an additional one (1) year. Accordingly, unless sooner terminated, the Agreement shall expire as of the end of business on June 30, 2014. The Parties further agree that they may, by mutual written agreement, extend this Agreement for an additional period of up to one (1) year after the initial extended term expires on June 30, 2014.

2. Fees Paid to the City. Section 3.3 will be deleted in its entirety and replaced with the following new language:

3.3 Fees Paid to the City. Rural/Metro shall pay to the City a Fiscal Year 2014 City EMS Operational Fee of \$10,039,988. This is a net increase of \$39,988 from the FY 2013 fee of \$10,000,000 and reflects a \$335,000 increase to the City for a FY 2014 Consumer Price Index ("CPI") formula adjustment (3.35%) and a reimbursement of \$295,012 to Rural/Metro for the costs of replacing City (Single Role) employees that no longer staff ambulances. The City Operational Fee shall be payable in four equal quarterly payments, payable within forty-five (45) days of the beginning of each fiscal calendar quarter, and shall compensate the City for expenses incurred for First Responder services; training, paramedic, clinical quality, and medical oversight; and administrative and other services or costs, except for response time penalties and indemnification, in connection with this Agreement. The City EMS Operational Fee shall also compensate the City for its provision of facilities and support logistics to Rural/Metro at the following City properties: (a) parking lot at the intersection of Aero Drive and Interstate 15 (APN 421-333-04), San Diego, CA; (b) ambulance maintenance facility (fleet and medical supply) at 3870 Kearny Villa Rd and the dispatch center at 3750 Kearny Villa Road, San Diego, CA; (c) office space at Executive Complex, 1010 Second Avenue, San Diego, CA; and (d) ambulance housing at the City fire stations.

The Average Patient Charge ("APC") shall be set at a maximum rate of \$1,820 (a 3.35% Increase) for a FY2014 Consumer Price Index ("CPI") formula adjustment.



Should the Parties exercise the right to further extend the term as described in the amended section 2.1 of the Agreement, the Parties shall agree on a City Operational Fee for that extended period prior to any extension.

3. Electronic Patient Care Record (“ePCR”) System. Rural/Metro shall provide and maintain an ePCR system for all First Responder Units, which shall be the same as those used on ambulances. The City and Rural/Metro will jointly evaluate ePCR providers and the City will have final approval of the ePCR product to be deployed. The Parties further agree that if Rural/Metro is not selected to provide 911 services to the City of San Diego following the expiration of this First Amendment, the City shall reimburse Rural/Metro as follows:

- a. Zoll: No reimbursement.
- b. OnScene:
  - a. Year 1: 50% of all receipted costs for professional services, software licensing, maintenance, and hardware, not to exceed \$250,000
  - b. Year 2: 25% of all receipted costs for professional services, software licensing, maintenance, and hardware, not to exceed \$125,000

Rural/Metro further acknowledges that the City will retain 100 devices as installed on First Responder vehicles if OnScene is selected as the ePCR provider.

In addition, the City acknowledges that Rural/Metro will not provide a warranty for OnScene software and will not be held responsible for any non-performance or failure of the software, but will remain responsible for repair/replacement of ePCR field data entry devices.

4. A new Section 15.11 shall be added to the Agreement as follows:

15.11 Compliance with Federal Anti-Kickback Statute. Each Party shall comply with the Federal Health Care Programs’ Anti-Kickback Statute (42 U.S.C. § 1320a-7b) and any applicable regulations promulgated thereunder. The Parties further recognize that the Agreement shall be subject to amendments of the Anti-Kickback Statute or any of its applicable regulations. In the event any applicable provisions of the Anti-Kickback Statute or its regulations invalidate, or are otherwise inconsistent with the terms of the Agreement, or would cause one or both the parties to be in violation of the law, the parties shall exercise their best efforts to accommodate the terms and intent of the Agreement to the greatest extent possible consistent with the requirements of the Statute and applicable regulations. City acknowledges that it has received copies of Rural/Metro’s Code of Ethics and Business Conduct and Rural/Metro’s Anti-Kickback Policy.


5. A new Section 15.12 shall be added to the Agreement as follows:

15.12 Fair Market Value. This Agreement has been negotiated at arms-length and in good faith by the parties. Nothing contained in this Agreement, 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.

6. Effect of First Amendment. This First Amendment shall become effective on July 1, 2013. All of the terms, covenants, conditions and provisions of the Agreement are hereby reinstated and remain in full force and effect, as modified by this First Amendment.

IN WITNESS WHEREOF the Parties hereto have placed signatures on the day and year first above written.

THE CITY OF SAN DIEGO

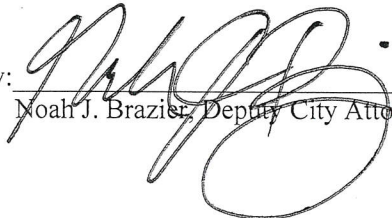
By:   
Dennis Gakunga, Director  
Purchasing & Contracting Department

RURAL/METRO OF SAN DIEGO, INC.,  
a California corporation

By:   
Scott Bartos, President

I HERBY APPROVE the form and legality of the foregoing First Amendment to the Agreement,  
this 27 day of ~~July~~, 2013.  
June

JAN I Goldsmith, City Attorney

By:   
Noah J. Brazier, Deputy City Attorney

 - 308295

RESOLUTION NUMBER R- 308295

DATE OF FINAL PASSAGE JUN 27 2013

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE THE AMENDMENT TO THE EMERGENCY MEDICAL SERVICES AGREEMENT WITH RURAL/METRO CORPORATION.

WHEREAS, in 2011 the City entered into a two-year sole source agreement with Rural/Metro Corp. (Rural/Metro) for the provision of emergency medical services (EMS) within the City; and

WHEREAS, the 2011 EMS agreement with Rural/Metro was intended to give the City time to conduct a competitive process for awarding a new EMS agreement; and

WHEREAS, the 2011 EMS agreement with Rural/Metro will expires June 30, 2013; and

WHEREAS, the City's competitive process for awarding a new EMS agreement is not complete; and

WHEREAS, in order for the City to continue to provide EMS without interruption, the City desires to extend the 2011 EMS agreement with Rural/Metro; and

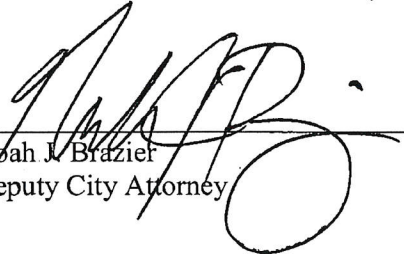
WHEREAS, the City and Rural/Metro have agreed to an amendment extending the 2011 EMS agreement for a term of one year with an option to extend the term for a second year; and

WHEREAS, the County of San Diego, acting on behalf of the California EMS Authority, has consented to this extended agreement; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego that the Mayor or his designee is hereby authorized and directed to execute, for and on behalf of the City, an amendment to the current EMS agreement with Rural/Metro, under the terms and conditions set

forth in the amendment entitled "First Amendment to 2011 Emergency Medical Services Agreement," on file with the City Clerk as document number RR 308295.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Noah J. Brazier  
Deputy City Attorney

NJB:hm  
06/12/2013  
Or.Dept:PSE  
Doc. No. 579778

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 24 2013.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 6/27/13  
(date)

  
BOB FILNER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
BOB FILNER, Mayor

**JUN 24 2013**

Passed by the Council of The City of San Diego on \_\_\_\_\_, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherr Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage **JUN 27 2013**

AUTHENTICATED BY:

(Seal)

BOB FILNER

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 308295

Passed by the Council of The City of San Diego on June 24, 2013 by the following vote:

**YEAS:** LIGHTNER, FACULCONER, GLORIA, COLE, KERSEY, ZAPF,  
SHERMAN, EMERALD.

**NAYS:** NONE.

**NOT PRESENT:** ALVAREZ.

**VACANT:** NONE.

**RECUSED:** NONE.

AUTHENTICATED BY:

**BOB FILNER**

Mayor of The City of San Diego, California

**ELIZABETH S. MALAND**

City Clerk of The City of San Diego, California

(Seal)


By: Peggy Rogers, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of  
RESOLUTION NO. R-308295 approved by the Mayor of the City of San Diego, California on  
June 27, 2013

**ELIZABETH S. MALAND**

City Clerk of The City of San Diego, California

(SEAL)

By:  Deputy