

ORIGINAL

THIRD AMENDMENT TO 2011 EMERGENCY MEDICAL SERVICES AGREEMENT

This Third Amendment ("Third Amendment") to the 2011 Emergency Medical Services Agreement is entered into on the first day of July, 2015 ("Effective Date"), by and between the City of San Diego, California ("City"), and Rural/Metro of San Diego, Inc., a California corporation, ("Rural/Metro"). The City and Rural/Metro together shall be called the "Parties".

RECITALS

- A. Whereas, the Parties entered into a 2011 Emergency Medical Services Agreement dated July 1, 2011, for emergency ambulance transportation services ("2011 EMS Agreement").
- B. Whereas, this Agreement was amended on July 1, 2013 ("First Amendment").
- C. Whereas, this Agreement was amended on May 7, 2014 ("Second Amendment").
- D. Whereas, The State of California Emergency Medical Services Agency and the County of San Diego Local Emergency Medical Services Authority are currently disputing whether the City is able to issue a request for proposals for emergency medical services.
- E. Whereas, the State and County have permitted the City to extend the 2011 EMS Agreement until their dispute is resolved, and have recommended that the City prepare to extend its EMS agreement with Rural/Metro for a period of at least four years.
- F. Whereas, the City and Rural/Metro desire to further amend the 2011 EMS 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:

Throughout this Third Amendment, the 2011 EMS Agreement and its amendments are collectively referred to as the Agreement. Capitalized terms in this Third Amendment shall have the meanings set forth in the Agreement.

The terms of this Third Amendment supersede any conflicting terms in any of the Agreement's prior documents.

The following changes shall be made to ARTICLE I of the 2011 EMS Agreement:

- 1. Section 1.2.2 shall be deleted in its entirety and replaced with the following language:
 - 1.2.2 "Outlier Response Time" means an ALS ambulance Response Time that is greater than double the Response Time specified in the "Emergency Response" Response Time Category, or for a complete failure to respond to any call.
- 2. Section 1.2.3 shall be deleted in its entirety and replaced with the following language:

1.2.3 "Response Time" means the amount of time required to respond to a medical aid request, measured in minutes and integer seconds. Notwithstanding Section II.C.5(d) of the RFP, the Response Time is calculated from the time the first ambulance is dispatched, to the moment the first ambulance arrives at the scene to which the ambulance was dispatched, or until the call is cancelled by a public safety agency. "Arrival at the scene" or "staged" means the moment an Automated Vehicle Locator ("AVL") places the ambulance at scene, or the ambulance crew notifies the Fire Communications Center by Mobile Data Computer ("MDC") or radio after it is fully stopped at the location where the ambulance should be parked. Where there is an AVL failure and an ambulance fails to report an "arrival at scene" time, the time of the next communication with that ambulance shall be used as the "arrival at scene" time. Rural/Metro may manually audit "arrival at scene" time by reviewing voice recordings for the call and present evidence of a more accurate time to the EMS Program Manager, who shall have sole discretion to approve or disapprove any adjustment to the "arrival at scene" time.

The following changes shall be made to ARTICLE II of the 2011 EMS Agreement:

1. The following language shall be added to Section 2.1:

The term of this Agreement shall be extended for five (5) years from July 1, 2015 to June 30, 2020.

2. The following section shall be added:

2.3 Buyout Termination. The City shall have the right to terminate this Agreement at the end of the third (July 1, 2018) and fourth (July 1, 2019) agreement years of the Third Amendment to the 2011 EMS Agreement extension term. If the City decides to exercise this right, it shall be known as a "Buyout Termination." The City must notify Rural/Metro in writing of its exercise of a Buyout Termination right at least one hundred and eighty (180) calendar days before the desired Buyout Termination date. If the City exercises a Buyout Termination right, the City shall pay Rural/Metro a fee upon termination of the Agreement as described below in Subsection 2.3.1.

2.3.1 Buyout Termination Fees. If the City exercises a Buyout Termination right, the City shall pay a Buyout Termination fee to Rural/Metro absent a material breach in the Agreement as described in Subsection 2.3.2 below. The Buyout Termination fee shall be based on certain capital invested by Rural/Metro in the City's EMS system prior to the Buyout Termination date. It is expected that the Buyout Termination will cost the City \$3,964,000 if the City exercises its Buyout Termination right for July 1, 2018, and \$2,161,000 if the City exercises its Buyout Termination right for July 1, 2019. These estimated amounts are based on the depreciation expense of new ambulances and specific fixed capital (limited to cardiac monitors, power cots, vehicle hot spots, drive cams, and mobile devices) purchased by Rural/Metro as a result of the Third

Amendment to the 2011 EMS Agreement, as agreed to in this amendment and included herein as Exhibit 4. The City shall only pay Rural/Metro the depreciation expense of these assets for the years remaining in the Third Amendment's original five year term after a Buyout Termination that the assets would have been utilized had the City not opted to exercise its buyout Termination right. These estimated amounts are subject to change, based on the actual number of new ambulances purchased by Rural Metro because the new ambulances are purchased based on the mileage of the vehicle being replaced and not on a fixed schedule.

2.3.2 Maintaining Services. Should the City exercise a Buyout Termination right, Rural/Metro shall continue to provide EMS at the levels required by this Agreement until the termination date. The breach provisions of this Agreement shall remain in effect until the termination date. Should Rural/Metro commit a material breach of this Agreement after the City exercises a Buyout Termination right, Rural/Metro shall forfeit its entire Buyout Termination fee from the City.

The following changes shall be made to ARTICLE III of the 2011 EMS Agreement:

1. Section 3.1 shall be deleted in its entirety and replaced with the following language:

3.1 Scope of Work - General. Rural/Metro shall perform Emergency Medical and Transport Services as set forth in Section I.C of the 2009 RFP (Scope of Services) within the City's EOA. Rural/Metro shall perform these services under the terms and conditions set forth in this 2011 EMS Agreement, this 2011 EMS Agreement's subsequent amendments, the 2009 RFP, and Rural/Metro's response thereto, which are incorporated by reference herein. In the event of a conflict in terms between this 2011 EMS Agreement, this 2011 EMS Agreement's subsequent amendments, the 2009 RFP, and Rural/Metro's response thereto, the order of priority shall be set forth in Section 15.1 of this Agreement.

2. Section 3.3 shall be deleted in its entirety and replaced with the following language:

3.3 Fees Paid to the City. Rural/Metro shall pay the City an annual Operational Fee of \$10,699,874. 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, ambulance staffing, training, paramedic, clinical quality, a portion of medical oversight, administrative and any other services or costs, except for response time penalties and indemnification, in connection with this 2011 EMS Agreement. The City 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 fleet repair facility, medical supply depot (Store room 42), and BLS dispatch center all located at 3750 Kearny Villa Road, San Diego, CA; (c) office space at Executive Complex, 1010 Second Avenue, San Diego, CA; (d) and ambulance housing at the City fire stations. A separate lease or use permit may be executed to memorialize Rural/Metro's use of these facilities.

3. The following section shall be added:

3.4 Rural/Metro Base Rate. Rural/Metro shall no longer charge patients based on the APC model. Instead, Rural/Metro shall use a Base Rate charging model. This Base Rate model is described more fully in Article X of this Agreement.

3.4.1 Base Rate Effective Date. The new Base Rate shall not go into effect until September 1, 2015. Rural/Metro shall use an APC rate of \$1,884 from July 1, 2015 to August 31, 2015.

The following changes shall be made to ARTICLE IV of the 2011 EMS Agreement:

1. Section 4.1 shall be deleted in its entirety from both the 2011 EMS Agreement and the Second Amendment and replaced with the following language:

4.1 Response Times. Rural Metro shall comply with the Response Time requirements set forth in Section II.C of the 2009 RFP, subject to the following modifications:

4.1.1. Emergency Response Zones. The City's Emergency Response Zones (ERZs) shall be redrawn per Exhibit 1 of the Third Amendment. References to the City's four ERZs in this Agreement and any other related document shall be read to mean the City's eight ERZs after the Effective Date of the Third Amendment.

4.1.2. Priority Levels. There are four medical priority levels for medical aid responses: Priority 1, potentially life-threatening emergency response (first responder and ALS ambulance, code response); Priority 2, non-life threatening emergency response (paramedic of higher level of care already at scene, code response); Priority 3, urgent request (BLS level call handled by ALS ambulance, no code response); and Priority 4, unscheduled non-emergency response (BLS ambulance response, no code).

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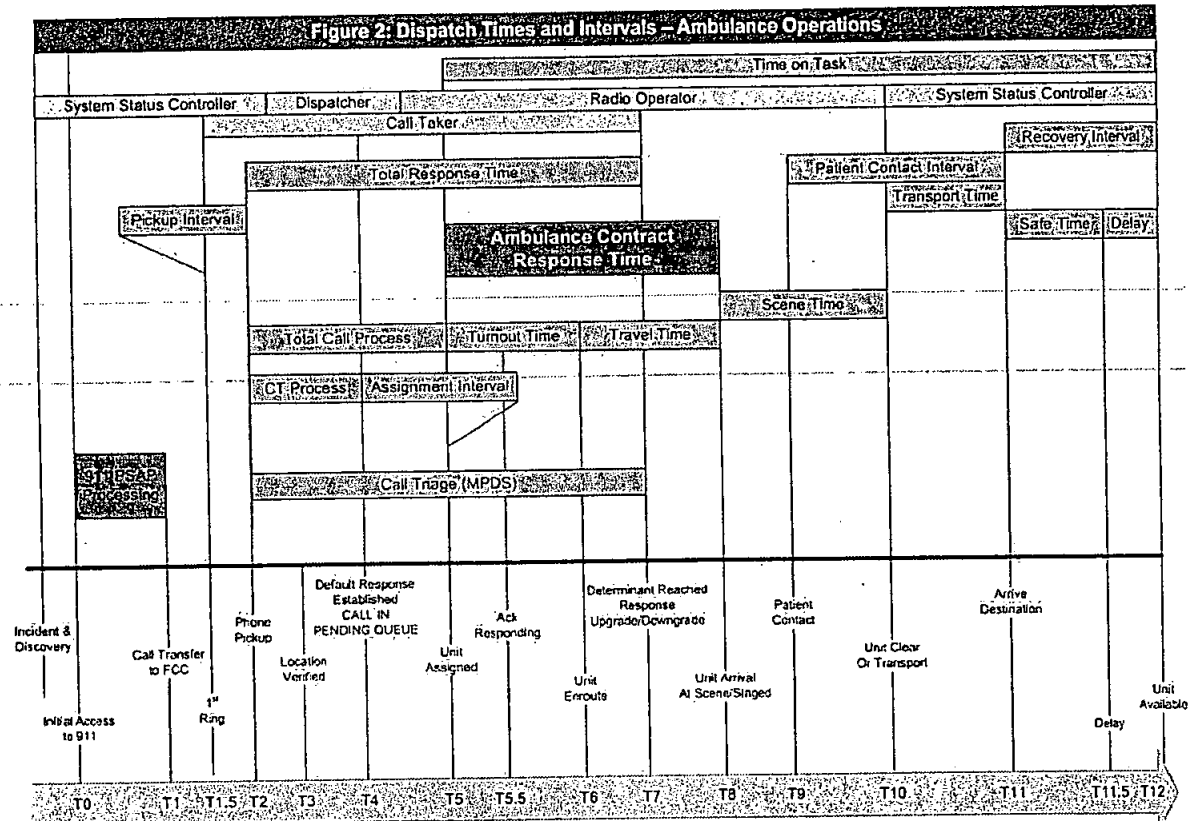
4.1.3 *Response Time Requirements.* The following figure shall replace Figure 1 in Section II.C.5.b(v):

Figure 1: Response Time Requirements		
Response Time Category	Response Time Clock and Standard	Call Types Included
Emergency Response	12 minutes or less 90% of the time, measured Citywide and individually by ERZ on a monthly basis	• Priority Level 1 • Priority Level 2 • Any call type where the 911 call is not fully triaged and the ambulance remains code 3 (lights and siren) • Any call type where an ambulance is dispatched to the incident "code 3" regardless of Fire or Medical Priority type
Urgent Response	15 minutes or less 90% of the time, measured Citywide on a monthly basis	• Priority Level 3 • Any call requesting a no code ambulance
Non-Emergency Response	30 minutes or less 90% of the time, measured Citywide on a monthly basis	• Priority Level 4

This new Figure 1 ensures that all ambulance responses and all calls where a paramedic is already at scene are captured in one of the Response Time Categories.

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4.1.4 *Response Time Measurement Methodology.* The following figure shall replace Figure 2 in Section II.C.5.d of the 2009 RFP:



Response times shall be measured starting at “Unit Assigned” (T5), regardless of the initial assignment, and ending at “Unit Arrival at Scene of Staged” (T8) with the first arriving ambulance with the appropriate level of service capability or until the call is cancelled by the appropriate public safety agency.

4.1.5 *Other Response Time Requirements.* Rural/Metro shall comply with all other Response Time requirements of Section II.C of the 2009 RFP inasmuch as these requirements do not conflict with the 2011 EMS Agreement or the First Amendment, Second Amendment, or Third Amendment.

2. Section 4.3 shall be deleted in its entirety and replaced with the following language:

4.3 Penalties. Penalties for failure to comply with Response Time requirements will be assessed in accordance with Section II.D of the 2009 RFP (Penalties), with the following modifications:

4.3.1 *Response Times.* Per Section II.D.5(h)(i) of the 2009 RFP, Rural/Metro, within fifteen (15) business days following the end of each month, shall submit to the EMS Program Manager a report documenting Response Times compliance for that month. However, to provide adequate time for system corrections, the City will only assess Response Time penalties on a quarterly basis based on

quarterly averages. For calls in the "Emergency Response" Response Time Category (for example, Priority 1 and Priority 2 911 calls), the City will determine the quarterly Response Time compliance percentage within each of the eight ERZs. For all 911 calls in the "Urgent Response" and "Non-Emergency Response" Response Time Categories, the City will determine the quarterly Response Time compliance percentage on a City-wide basis.

4.3.2 *Outlier Responses Penalties.* Rural/Metro shall pay City a penalty for Outlier Response Times on "Emergency Response" Response Time Category calls only. Rural/Metro may rebut an Outlier Response penalty by providing evidence to the City within fifteen (15) days after the end of the month in which it occurred, such as time stamps and/or other written or electronic data that an ALS ambulance arrived at scene of the event within less than double the Response Time. If Rural/Metro provides such evidence to the EMS Program Manager's satisfaction, only regular Response Time penalties will be assessed.

The Outlier Response Time Penalties defined in Figure 4 of Section II.D.3 of the 2009 RFP shall be replaced with Figure 4, as described below. The Outlier Response Time penalty paid by Rural/Metro shall increase depending on the number of outlier responses in a given calendar month:

Figure 4: Outlier Response Time Penalties	
Number of Violations per Month	Penalty per Outlier Response
0 to 5	\$500
6 to 10	\$1,000
11 to 15	\$2,000
16 or more	\$4,000

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4.3.3 *Failure to Comply.* For each quarter that Rural/Metro fails to comply with Response Time requirements (within each ERZ for "Emergency Response" Response Time Categories, and City-wide for "Urgent Response" and "Non-Emergency Response" Response Time Categories), the City may assess and collect penalties in accordance with the following figure, which shall replace the four penalty figures in the 2009 RFP, Section II.D.2:

Penalty for Exceeding Quarterly Response Time Requirements		
Medical Priority Category	Quarterly Compliance Percentage	Penalty
Emergency Response	Is $\geq 89.5\%$, but $< 90\%$.	\$20,000
	Is $\geq 89\%$, but $< 89.5\%$.	\$35,000
	Is $< 89\%$.	\$50,000
Urgent Response	Is $\geq 89.5\%$, but $< 90\%$.	\$10,000
	Is $\geq 89\%$, but $< 89.5\%$.	\$20,000
	Is $< 89\%$.	\$30,000
Non-Emergency Response	Is $\geq 89.5\%$, but $< 90\%$.	\$5,000
	Is $\geq 89\%$, but $< 89.5\%$.	\$10,000
	Is $< 89\%$.	\$15,000

Rural/Metro may be assessed with a penalty each and every quarter that Rural/Metro fails to comply with the Response Time Requirements for each Response Time Category. All categories will be checked quarterly for City-wide compliance. The Emergency Response Category shall be checked for compliance quarterly for each ERZ. The penalties will be assessed for any failures to meet the Response Time Requirements during these quarterly checks.

In addition to the penalties listed in this section, the City may require a written Plan to Cure from Rural/Metro addressing how the failure to comply will be remedied. Rural/Metro shall submit its written Plan to Cure to the City within ten (10) business days of the City's request.

If Rural/Metro fails to comply with Response Time requirements for more than one calendar month per quarter, the City may require a written Plan to Cure from Rural/Metro addressing how the response time requirements will be remedied. Rural/Metro shall submit its written Plan to Cure to the City within ten (10) business days of the City's request.

3. The following section shall be added:

4.4 *Ramp-up Period.* The new reporting and compliance requirements of the Third Amendment to the 2011 EMS Agreement shall not go into effect until October 1, 2015. Until that date, Rural/Metro shall continue to comply with the reporting and compliance requirement of the 2011 EMS Agreement, the First Amendment, and the Second Amendment.

The following changes shall be made to ARTICLE V of the 2011 EMS Agreement:

1. Section 5.1 shall be deleted in its entirety and replaced with the following language:

5.1 Vehicles and Equipment. Per Section II.P of the 2009 RFP (Vehicles and Medical Equipment and Supplies), Rural/Metro shall, at no cost to the City, acquire and maintain all ambulances, support vehicles, and on-board medical supplies/equipment to be used by Rural/Metro and Fire-Rescue EMS in performing services under this 2011 EMS Agreement. Rural/Metro shall be responsible for all maintenance costs, including the cost of parts, supplies, spare parts, and extended maintenance agreements.

2. Section 5.2.5 shall be deleted in its entirety and replaced with the following language:

5.2.5 Per Section II.P.3 of the RFP, ambulances shall be removed from primary service and replaced with new ambulances by the time they reach 250,000 miles of service.

3. Section 5.2.7 shall be deleted in its entirety and replaced with the following language:

5.2.7 The City and Rural/Metro agree to maintain the current locations and number of positions available for Fire-Rescue Department paramedic rotations unless changed by mutual written agreement.

4. Section 5.3.1 shall be deleted in its entirety and replaced with the following language:

5.3.1 Rural/Metro acknowledges that the County of San Diego EMS Agency may change the minimum equipment and supply requirements from time to time, and agrees to comply with all such changes. Upon written mutual agreement of the Parties, Rural/Metro may change or upgrade equipment and supplies in response to changes in technology, clinical protocols, and procedures; provided that such changes or upgrades continue to meet or exceed the County of San Diego EMS Agency's minimum requirements.

5. Section 5.3.2 shall be deleted in its entirety and replaced with the following language:

5.3.2 Medical equipment, including cardiac monitors, must be consistent and compatible with the medical equipment carried on City Fire-Rescue Department first responder vehicles. Prior to installation, all medical equipment brands used by Rural/Metro in performance of services under this 2011 EMS Agreement must be approved by mutual written agreement of the Parties.

6. Section 5.4 shall be deleted in its entirety and replaced with the following language:

5.4 Replacement of Cardiac Monitors. Rural/Metro shall provide, at no cost to the City, one hundred and sixty (160) new cardiac monitors for the City's EMS system. These cardiac monitors shall be provided in final working condition by July 1, 2016. These cardiac monitors shall comply with the specifications set forth in Exhibit 2 of the Third Amendment to the 2011 EMS Agreement. These cardiac monitors will replace the aging monitors currently used in the City's EMS System on Rural/Metro and City Fire-Rescue emergency responder vehicles. Rural/Metro shall provide the same warranties and preventative maintenance program for the cardiac monitors used on City Fire-Rescue

Department units as it does for the cardiac monitors used on Rural/Metro equipment. Rural/Metro shall not be responsible for replacing any of the new cardiac monitors should they be damaged or lost due to negligence on the part of City Fire-Rescue Department personnel.

The Parties acknowledge and agree that the new cardiac monitors carried on City Fire-Rescue Department units shall remain the property of Rural/Metro. However, Rural/Metro shall make these cardiac monitors available for the City's use at no charge throughout the duration of the Third Amendment to the 2011 EMS Agreement. In the event that the Third Amendment to the 2011 EMS Agreement is terminated early for any reason, the City may continue the use of the cardiac monitors through a fair market value lease from Rural/Metro to be negotiated by the Parties.

7. Section 5.5 shall be deleted in its entirety and replaced with the following language:

5.5 Medical Supply Center. Per Section II.E(h) of the 2009 RFP, Rural/Metro shall staff and supply, at no cost to the City, a medical supply center that serves all first responder vehicles and ambulances used in the performance of EMS. The medical supply center must be accessible twenty-four (24) hours a day, seven (7) days a week. Rural/Metro shall provide, at no cost to the City on a one-for-one exchange, all disposable medical supplies, including non-durable biomedical supplies, carried on ambulances and first responder vehicles.

8. The following language shall be added to Section 5.7:

5.7.2 Rural/Metro shall vacate and cease all use of the Aero Drive Parking Facility property by July 1, 2017.

9. The following language shall be added to Section 5.8:

5.8.1 Rural/Metro shall vacate and cease all use of the Kearny Villa Road Facility property by July 1, 2017.

10. The following section shall be added:

5.10 Power Cots. Rural/Metro shall furnish its ambulance fleet with sixty (60) power cots to be used by City and Rural/Metro employees. The first thirty (30) of these power cots shall be provided within the first year of the Third Amendment to the 2011 EMS Agreement term, and the next thirty (30) shall be provided before the end of the second agreement year of the Third Amendment to the 2011 EMS Agreement term.

11. The following section shall be added:

5.11 Drive Cameras. Rural/Metro shall furnish its ambulance fleet with sixty (60) drive cameras. These drive cameras shall be provided within the first three agreement years of the Third Amendment to the 2011 EMS Agreement term.

12. The following section shall be added:

5.12 Vehicle Hot Spots. Rural/Metro shall furnish its ambulance fleet with sixty (60) vehicle hot spots. These hot spot modems shall be provided within the first three agreement years of the Third Amendment to the 2011 EMS Agreement term.

The following Changes shall be made to ARTICLE VI of the 2011 EMS Agreement:

1. Section 6.1.2 shall be deleted in its entirety and be replaced with the following language:

6.1.2 IT Support. The City shall remain responsible for the IT system, including basic functionality, security protocols, and system hardware and software expenses. In the event of an IT system error or failure, the Parties will work cooperatively to resolve issues and responsibility, if any.

2. Section 6.4 shall be deleted in its entirety, except for section 6.4.1 which shall remain in effect, and be replaced with the following language:

6.4 Ambulance/Field Communications Equipment. The City shall purchase, install, own and maintain, at no cost to Rural/Metro, all mobile radio equipment to be placed on ALS and BLS ambulances which have been approved by the City. In modification of Section II.Q.3 and Section II.Q.4 of the 2009 RFP, Rural/Metro shall furnish, at no cost to the City, all mobile radio equipment and cellular equipment used on non-ALS ambulances and in the field, except those assets approved by the City. However, the City will be responsible for communications infrastructure (such as cellular towers, satellite dishes, and station and unit alerting), programming and radio equipment maintenance for all communications devices, and system backbone maintenance. Rural/Metro shall comply with the City's radio fleet map. Rural/Metro shall be able to receive and respond to communications from the Fire Communications Center and deploy ambulance units throughout all areas of the EOA. Rural/Metro shall be capable of receiving and responding to such requests by voice and data linkage.

The following Changes shall be made to ARTICLE VII of the 2011 EMS Agreement:

1. The following language shall be added to Section 7.3:

7.3.1 ePCR Equipment. Rural/Metro shall provide the City with one hundred and sixty (160) new tablet computers capable of running the City's current ePCR program by July 1, 2016. Rural/Metro shall continue to maintain the ePCR system and provide maintenance and warranties for these tablet computers. These new tablet computers must meet the specifications set forth in Exhibit 3 of the Third Amendment to the 2011 EMS Agreement.

Any changes to the ePCR system software system shall be made only by the mutual written agreement of the Parties. New ePCR software must be compatible with the specifications set forth in Exhibit 3 of the Third Amendment to the 2011 EMS Agreement. All ePCR software must also be compatible with the City's information technology systems and security standards, but only if the selected ePCR software connects to the City's network.

Rural/Metro shall maintain ownership of these tablet computers. However, Rural/Metro shall make these tablet computers available for the City's use at no charge throughout the duration of the Third Amendment to the 2011 EMS Agreement. In the event that the Third Amendment to the 2011 EMS Agreement is terminated early for any reason, the City may continue the use of these tablet computers through a fair market value lease form Rural/Metro to be negotiated by the Parties.

It is possible that during the term of this extension the City may desire alternative uses for the tablet computers purchased by Rural/Metro outside of the City's EMS system. Should the City pursue implementation of non-EMS alternative uses, the Parties will reopen discussion on how to apportion any residual value, costs, and ownership related to the new usage of these tablet computers between the City and Rural/Metro.

2. The following section shall be added:

7.9 Clinical Data to County of San Diego: It is possible that during the term of the Third Amendment to the 2011 EMS Agreement San Diego County will require the Parties to participate in either the Health Information Exchange Program (HIE) or another program for sending clinical EMS data to the County of San Diego Health and Human Services Agency. When the County mandates, provides specifications, and has an operable system to accept electronic data transmission from the City's EMS provider, Rural/Metro agrees to pay the full costs of the Parties' participation in this electronic data transmission program, be it the HIE or any other clinical electronic EMS data transmission program. The Parties agree when the HIE or any other clinical electronic EMS data transmission program is mandated by the County, the Parties will reopen discussion on how these new costs will affect the 2011 EMS Agreement.

The following changes shall be made to ARTICLE VIII of the 2011 EMS Agreement:

1. Section 8.1 shall be deleted in its entirety and replaced with the following language:

8.1 Education and Training. Per Section II.G of the 2009 RFP (Continuing Education Program and Training) Rural/Metro will continue to work cooperatively with Fire-Rescue to provide in-house or sub-contracted in-service training programs designed to meet California state certification requirements at no cost to the City. Rural/Metro will provide training for both Rural/Metro and City-employed EMTs and paramedics, at no cost to the City, in accordance with its proposal in response to the 2009 RFP, Section II.G(1) through (6), including: in service training programs, company orientation and ongoing preparedness training, training for multi-casualty response, driver training, and infection control training.

The following changes shall be made to ARTICLE IX of the 2011 EMS Agreement:

1. Section 9.3 shall be deleted in its entirety and replaced with the following language:

9.3 Employee Uniforms. City and Rural/Metro employees working on an ambulance shall wear appropriate uniforms and shall adhere to the County of San Diego Ambulance Ordinance rules and regulations regarding uniforms. Rural/Metro shall ensure that all Rural/Metro EMT and paramedic personnel have a complete spare uniform available

while on-duty. The Parties may develop additional uniform policies provided that such changes are mutually agreed to by the Parties and conform to the County of San Diego uniform regulations. Nothing in this section shall be construed to alter the rights or obligations of the Parties or their respective employees under any existing labor union agreement.

The following changes shall be made to ARTICLE X of the 2011 EMS Agreement:

1. The following language shall be added:

10.5 Base Rate. Beginning September 1, 2015, Rural/Metro shall charge EMS patients based on a Base Rate model rather than the APC.

10.5.1 Initial Base Rate. The initial Base Rate per patient charges, starting September 1, 2015, shall be based on the following rate schedule:

Service:	Fee
ALS Emergency Transport Level 1	\$1,933.05
ALS Non-Emergency Transport Level 1	\$1,933.05
ALS Level 2	\$2,154.31
BLS Non-Emergency Transport	\$850.00
BLS Emergency Transport	\$1,631.27
BLS Treat No Transport	\$163.50
ALS Treat No Transport	\$163.50
Oxygen Use (flat fee if applicable)	\$33.32
Mileage (per Loaded Mile)	\$27.14

10.5.2 Base Rate Adjustments. Rural/Metro may periodically request upward or downward adjustments to the Base Rate based on market rates in California (including the Consumer Price Index). Such requests are subject to the written approval of the Chief Operating Officer of the City ("Chief Operating Officer") and must be accompanied by all relevant justification/background documentation which demonstrates actual incurred expenses in support of the request. The Chief Operating Officer shall review such request and either accept, amend, or deny Rural/Metro's proposal within fourteen (14) business days. The Chief Operating Officer shall not arbitrarily or capriciously deny Rural/Metro's request. If the Chief Operating Officer denies Rural/Metro's request for a Base Rate adjustment, at Rural/Metro's request, the issue may be presented to the City Council on appeal.

10.5.3 Base Rate Medical Oversight Funding. Per Section II.E.1(b) of the RFP, Rural/Metro shall fund a portion of the City's EMS Medical Director activities (including staff salaries and related expenses). Notwithstanding the rate specified in the 2009 RFP, Rural/Metro shall contribute to the Medical Director salary on a

monthly basis at an amount not less than \$2.45 per transport (including the FY 16 increase) for all transports provided under this Agreement. This base amount of \$2.45 per transport shall be adjusted annually, at the start of each Fiscal Year, in an amount equal to the CPI for All Urban Consumers for San Diego. Per Rural/Metro's response to Section II.E.1(b) of the 2009 RFP, Rural/Metro will fund, at no cost to the City, an EMS Enhancement Fund for system improvements as mutually agreed upon by the Parties.

10.5.4 *Base Rate Financial Reports.* Rural/Metro shall maintain its financial reports in a manner that permits the City to monitor the Base Rate. Rural/Metro shall provide to the City Audited financial statements on an annual basis, within one hundred and eighty (180) calendar days after the close of Rural/Metro's fiscal year.

The following changes shall be made to ARTICLE XII of the 2011 EMS Agreement:

1. Section 12.1 shall be deleted in its entirety and replaced with the following language:

12.1 Performance Bond. A performance bond is required in the sum of \$5,000,000 (five million dollars) to be in the form of a faithful performance bond issued by a bonding company authorized to do business in the State of California, appropriately licensed and acceptable to the City. The performance bond shall be maintained by Rural/Metro in full force and effect during the entire period of performance under this Third Amendment to the Agreement. Failure to do so shall be cause for termination of this Third Amendment and Agreement.

The following changes shall be made to ARTICLE XV of the 2011 EMS Agreement:

1. Section 15.1 shall be deleted in its entirety and replaced with the following language:

15.1 Incorporation of Bid Materials. This 2011 EMS Agreement incorporates by reference: the Third Amendment to the 2011 EMS Agreement; the Second Amendment to the 2011 EMS Agreement; the First Amendment to the 2011 EMS Agreement; the 2009 RFP; the City of San Diego's General Provisions for Proposals dated January 18, 2005 (General Provisions); Rural/Metro's proposal (technical and budget volume); the City's award letter(s); the clarifications incorporated in Rural/Metro's proposal (if any); the City's written acceptance of any exceptions to clarifications incorporated in Rural/Metro's proposal (if any); any exhibits, attachments, or addenda to any of the aforementioned documents; and any documents incorporated therein by reference. Collectively, these documents will be known as the "Contract Documents" and will constitute the entire agreement between the parties. To the extent the terms and conditions of these documents conflict with one another, the order of priority will be as follows: (a) the Third Amendment takes precedence over conflicting terms of the Second Amendment; (b) the Second Amendment takes precedence over conflicting terms of the First Amendment; (c) the First Amendment takes precedence over conflicting terms of this 2011 EMS Agreement; (d) this 2011 EMS Agreement takes precedence over conflicting terms in the 2009 RFP; (e) the 2009 RFP takes precedence over conflicting terms in the General Provisions; (f) The General Provisions take precedence over conflicting terms in Rural/Metro's proposal; and (g) exceptions and clarifications noted in the proposal take precedence over conflicting terms in the 2009 RFP and General Provisions only if expressly agreed to by the Parties in writing.

2. The noticing address for Rural/Metro in Section 15.3 b) shall be changed to the following:

b) For Rural/Metro:

Rural Metro of San Diego, Inc.
10405 San Diego Mission Road STE 200
San Diego, California 92108
Attn: Regional Director

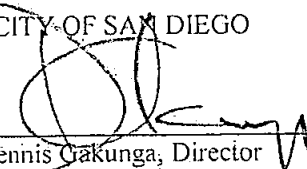
With a copy to:

Rural/Metro Corporation
8465 N. Pima Road
Scottsdale, AZ 85258
Attn: General Counsel

This Third Amendment to the Agreement shall become effective on the Effective Date. All of the terms, covenants, conditions and provisions of the Agreement, the First Amendment, and the Second Amendment are hereby reinstated and remain in full force and effect, as modified by this Third Amendment.

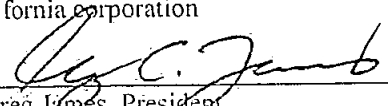
IN WITNESS WHEREOF the Parties hereto have placed signatures on the day and year first above written.

THE CITY OF SAN DIEGO

By: 

Dennis Gakunga, Director
Purchasing & Contracting Department

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

By: 

Greg James, President

I HERBY APPROVE the form of the foregoing Third Amendment to the Agreement, this 18 day of JUNE, 2015.

Jani I. Goldsmith, City Attorney

By: 

Noah J. Brazier, Deputy City Attorney

Engine Districts & Medical Zones

EXHIBIT 1

Legend

- Engine Districts
- Major Roads
- Air Runways
- Medical Zones**
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- Military Fac.



Scale:
0 0.5 1 1.5 2
Miles
1:257,582



Created by:
San Diego Fire-Rescue
Response Planning
May 14, 2015



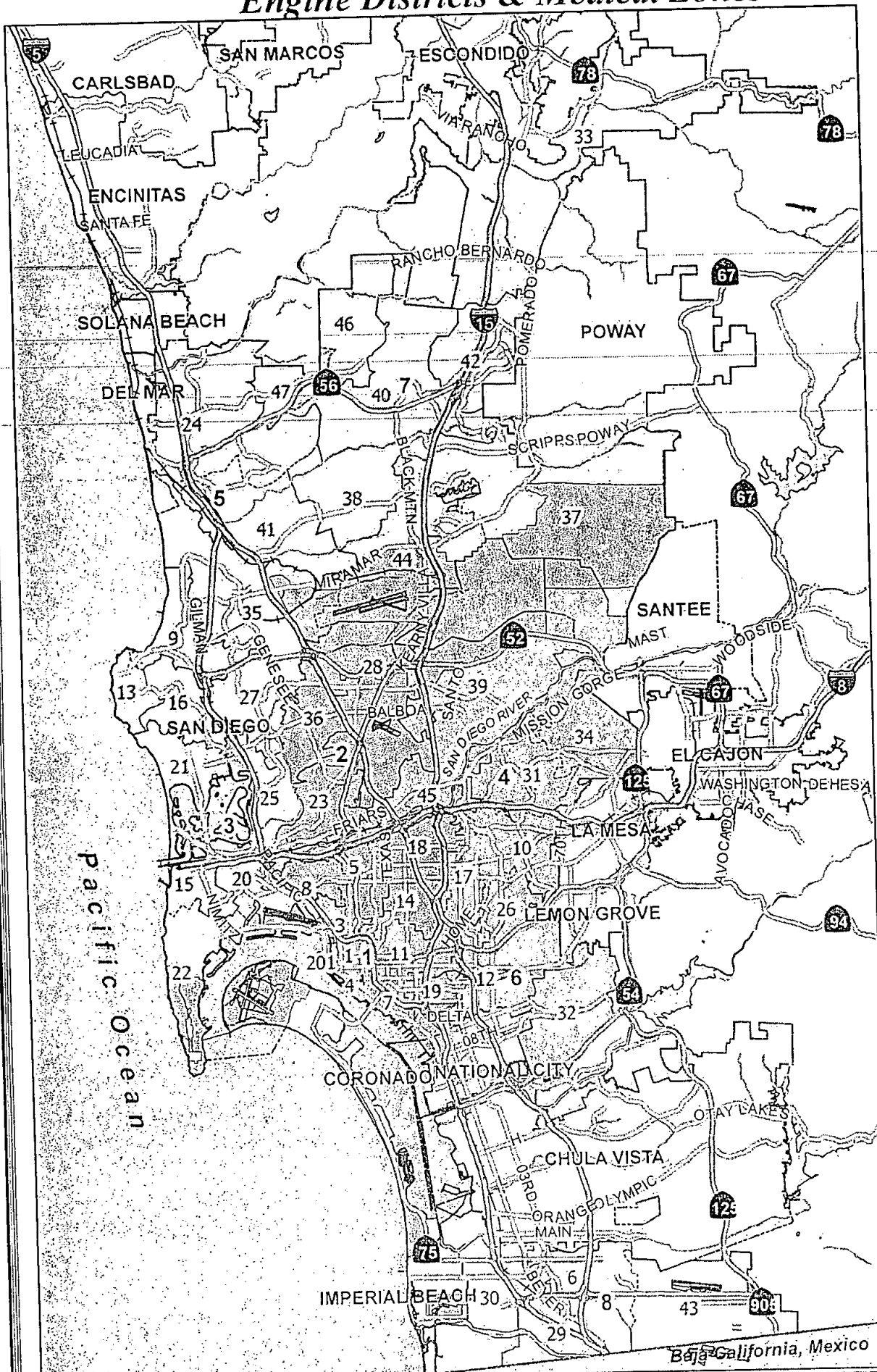
SanGIS
We Have San Diego Covered

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Vicinity Map



Baja California, Mexico

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EXHIBIT 2

CARDIAC MONITOR SPECIFICATIONS

Rural/Metro and City EMS staff shall mutually agree upon a cardiac and vital signs monitoring system that will be integrated with the current ePCR system. Rural/Metro shall provide the cardiac monitors per the Third Amendment to the 2011 EMS Agreement. Any such cardiac monitors must meet the following specifications:

1. Monitors used on the City's vehicles shall be identical to the monitors carried on Rural/Metro's ambulances used to service the City's EOA.
2. Rural/Metro must provide the new cardiac monitor systems under full warranty throughout the Agreement. Rural/Metro shall provide additional cardiac monitors for any expansion of the City's EMS system.
3. Rural/Metro shall provide logistical support for the cardiac monitor system, twenty four (24) hours per day, seven (7) days per week to ensure that no units (ambulance or City first responders) are unnecessarily out of service due to loss, breakage, or other mechanical issues.
4. Rural/Metro will ensure that all one hundred and sixty (160) new cardiac monitors are provided by July 1, 2016. No refurbished equipment will be allowed.
5. Rural/Metro is responsible for the costs of any data systems employed to support the cardiac monitoring system, including portable entry devices, hardware (servers), and software.
6. Rural/Metro is responsible for all cardiac monitor maintenance including routine and preventative maintenance, and all warranty costs for the monitors and documentation system.
7. Rural/Metro shall cover all costs related to batteries, charging, or maintaining any electrical needs for the system, including, if required, the retrofitting of any City first responder vehicles to provide an on-board charging solution.
8. All monitors shall be fully integrated with the following capabilities at a minimum:
 - Pulse oximetry
 - Non-invasive blood pressure
 - Sidestream end-tidal capnography
 - Temperature monitoring
 - Non-invasive pacing
 - Standard ECG
 - Cardioversion (synchronous and asynchronous)
 - AED mode
 - 12-lead ECG acquisition and transmission
 - Measurement of CPR quality to include depth and rate of external cardiac compressions
 - Audio recording
 - Printer
9. The cardiac monitors shall integrate with the ePCR system to provide the end users and managers easy access to clinical data for the purposes of quality improvement and system reporting. Voice recordings, clinical monitoring data (including standard and 12-lead ECG) and

other electronic data shall be integrated into the ePCR via integrated wireless technology comparable to WiFi speeds.

10. WiFi shall be defined as integrated device technology capable of transmitting data over a wireless local area network or WLAN. Technology capable of supporting the Institute of Electronics and Electrical Engineers (IEEE) standard 802.11 family shall satisfy the specification. The use of "Bluetooth" technology for data transfer of ePCR and monitor information shall not satisfy the City monitor specification. Any data transfer shall be capable of security strategies common to the 802.11 family of standards including WEP, WPA and WPA2. Separate transmissions and/or requiring matching or merging of records shall not be allowed.
11. The monitoring system shall provide managers the ability to retrospectively review all cardiac monitor clinical data parameters including voice recordings linked to its companion ePCR.
12. The cardiac monitors shall be capable of transmitting, while at scene, a 12-lead ECG to a medical control hospital, receiving hospital, City EMS QI staff, Regional Health Information Exchange EMS Hub, and any other location required by the County LEMSA.
13. The monitoring system shall be capable of transferring all clinical data from the cardiac monitor to the proposed ePCR system wirelessly, via WiFi, or approved wireless process that moves all monitor data including voice recordings linked to its companion ePCR in the same timeframe as WiFi. Separate transmissions or requiring manual matching or merging of records shall not be allowed.

EXHIBIT 3

ELECTRONIC PATIENT CARE RECORD (ePCR) SYSTEM SPECIFICATIONS

The ePCR system required by the Third Amendment to the 2011 EMS Agreement shall continue to allow for an accurate completion of patient care documentation including all information required by Title 22 and section 100170 of the California Code of Regulations. This information shall be distributed according to established City and County LEMSA policies and procedures (see San Diego County Policy S-601).

The parties shall mutually agree to any changes to the current ePCR system which are proposed be implemented (hardware and software). Changes to the ePCR system which involve the City network must first meet City Department of IT requirements concerning security.

The following describes the current specifications and future required specification of the ePCR system:

1. Integration with the current Fire-Rescue TriTech Computer Aided Dispatch (CAD) system. All CAD incident details including times, response information, and call disposition shall be linked from the CAD record to the e-PCR to prevent duplication of incident data between systems. Times obtained through the CAD systems shall not be editable by the patient care provider. No e-PCR fields shall be allowed to conflict with times obtained from CAD.
2. Ability to provide an accurate clinical record of patient care by both the City first responder and Rural/Metro ambulance clinicians from the scene of an incident throughout the patient encounter.
3. Any and all equipment and software required to operate the ePCR system for both Rural/Metro ambulances and City Fire-Rescue first responder units shall be continue to be provided by Rural/Metro.
4. The ePCR system shall continue to be wireless in design, and allow the secure transfer of patient care data that allows the hospital to ultimately receive both records (First Responders and Ambulance).
5. There shall be no difference in the capabilities of equipment between City first responders and Rural/Metro ambulances.
6. The system shall allow for San Diego Fire-Rescue units to document a complete ePCR for incidents where a provider ambulance is cancelled.
7. The hardware platform for the collection of ePCR data shall be capable of utilization on scene at the patient's side. It shall be small, lightweight, and of a "ruggedized" construction or be provided with an impact-resistant case. The device must immediately react to input by the clinician (e.g. instant "on" capability).
8. There shall be proven integration between the ePCR system and the City EMS Patient Care Monitoring System (cardiac monitors). This integration shall provide the end users and managers easy access to clinical data for purposes of quality assurance and system reporting. Voice recordings, clinical monitoring data (including standard and 12-lead ECG) and other electronic data shall be capable of being integrated into the e-PCR to complete a "Patient Care Monitoring and Documentation" system.

9. The ePCR system shall be secure and compliant with all patient privacy law requirements in all applicable Federal and California State privacy regulations.
10. The ePCR system shall have permissions restrictions and other safeguards to ensure data integrity amongst providers of care with access to the medical record and provide auditable logging of access to medical records.
11. The ePCR system shall be capable of exporting data to the San Diego County LEMSA in a format and timeframe prescribed by that LEMSA.
12. Within twenty-four (24) hours, data shall be available in computer readable format suitable for statistical analysis for all ambulance responses. Records shall contain all information documented on the PCR for all EMS system responses including patient contacts, non-transport and any other response data as required by City staff and County EMS needs.
13. The system shall be capable of providing an accurate ePCR to receiving hospitals.
14. Rural/Metro shall continue to be responsible for the data transfer and storage of the ePCR including the City first responder portion. Any wireless fees or storage and maintenance fees shall be assumed by Rural/Metro.
15. Rural/Metro shall continue to ensure that certain identified City EMS management staff members have unrestricted administrative rights to the ePCR system, Patient Care Monitoring system, and any Mobile Device Management system employed to secure or monitor devices.
16. Rural/Metro may use the City's 911 data for usual and customary business (e.g. billing, response to State or Federal reporting requirements/audits). However, Rural/Metro must obtain the written approval of the City to use this data for research or any for-profit purpose.

EXHIBIT 4

Buyout Termination

Buyout Termination fees for the City shall be based on the depreciation expense of new vehicles and certain new operational equipment (limited to cardiac monitors, power cots, vehicle hot spots, vehicle camera system, and mobile devices) purchased by Rural/Metro, as well as estimated wind-down costs. The depreciation the City pays will only cover the depreciation expense on the new vehicles and certain new operational equipment (limited to cardiac monitors, power cots, vehicle hot spots, vehicle camera system, and mobile devices) purchased during the term of the Third Amendment and will only cover the depreciation expense for the remaining years of the five year Third Amendment term after Buyout Termination (either one or two years of depreciation).

Because the ambulances are replaced based on a mileage schedule, it is possible that the City will pay more or less depreciation for these vehicles, depending on the actual number of new ambulances purchased over the Third Amendment's three or four year term if the City exercises Buyout Termination.

If the City exercises a Buyout Termination after three years, the anticipated Buyout Termination Fees are outlined below:

1. Depreciation expense of projected 38 new ambulances over two years (est. \$2,144,000);
2. Depreciation expense of certain new operational equipment (limited to cardiac monitors, power cots, vehicle hot spots, vehicle camera system, and mobile devices) over two years (\$1,800,000); and
3. Wind-down costs (\$20,000).

Therefore, the total costs for a Buyout Termination after three years of the Third Amendment are estimated at \$3,964,000.

If the City exercises a Buyout Termination after four years, the anticipated Buyout Termination Fees are outlined below:

1. Depreciation expense of projected 44 new ambulances over one year (est. \$1,141,000);
2. Depreciation expense of new operational equipment (limited to cardiac monitors, power cots, vehicle hot spots, vehicle camera system, and mobile devices) over one year (\$900,000); and
3. Wind-down costs (\$20,000).

Therefore, the total costs for a Buyout Termination after four years of the Third Amendment are estimated at \$2,161,000.

Item 202
6-1-15

(R-2015-699)

RESOLUTION NUMBER R- 309758

DATE OF FINAL PASSAGE JUN 11 2015

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE MAYOR TO EXECUTE A
THIRD AMENDMENT WITH RURAL/METRO
CORPORATION FOR THE PROVISION OF EMERGENCY
MEDICAL AND TRANSPORT SERVICES.

WHEREAS, the State of California Emergency Medical Services Authority (CalEMSA)
is involved in a dispute over whether the City is able to issue an Emergency Medical Services
(EMS) request for proposals; and

WHEREAS, CalEMSA recommend extending the City's current EMS Agreement with
Rural/Metro Corporation as the City's current EMS Agreement is set to expire on June 30, 2015;
and

WHEREAS, this extension will be done via a Third Amendment to the City's current
EMS Agreement; and

WHEREAS, the term of this Third Amendment shall be five years, but the City has the
option to terminate after the third or fourth year should CalEMSA allow the City to issue an
EMS request for proposals at an earlier date; and

WHEREAS, the Third Amendment contains needed upgrades to the City's EMS system,
including provisions for replacing aging ambulances, providing up-to-date equipment; and
aligning the EMS response-time zones with the City's current population dynamics; and

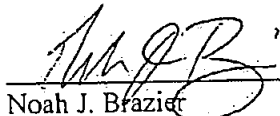
WHEREAS, Rural/Metro Corp. has agreed to pay the City an annual EMS operations fee
throughout the extended term of the EMS Agreement, the first fee equaling \$10,339,504 for
FY 2016; and

WHEREAS, this fee will be received in Fund 20227, the Fire/EMS Transport Fund, and will go towards offsetting the City's cost of providing paramedic-level first response and administering the EMS system; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor or his designee is authorized to execute, for and on behalf of the City, an amendment to the current Emergency Medical Services Agreement with Rural/Metro Corp., under the terms and conditions set forth in the amendment entitled "Third Amendment to 2011 Emergency Medical Services Agreement," on file with the City Clerk as document number RR 309758.

APPROVED: JAN I. GOLDSMITH, City Attorney

By

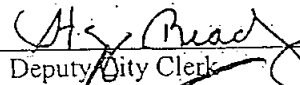

Noah J. Brazier
Deputy City Attorney

NJB:hm
05/20/2015
Or.Dept:PSE
Doc. No.: 1023655

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 01 2015.

ELIZABETH S. MALAND
City Clerk

By


Deputy City Clerk

Approved: 6/11/15

(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____

(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on June 1, 2015, by the following vote:

YEAS: LIGHTNER, ZAPF, GLORIA, COLE, KERSEY, CATE,

SHERMAN, ALVAREZ, EMERALD

NAYS: NONE.

NOT PRESENT: NONE.

RECUSED: NONE.

AUTHENTICATED BY:

KEVIN L. FAULCONER

Mayor of The City of San Diego, California

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California

(Seal)

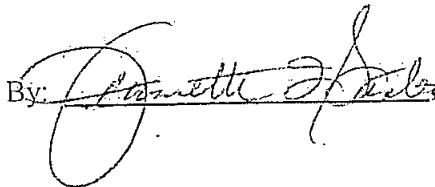
By: Jeannette I. Santos, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of
RESOLUTION NO. R-309758, approved on June 1, 2015. The date of final passage is
June 11, 2015.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California

(Seal)

By: , Deputy

Passed by the Council of The City of San Diego on JUN 01 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	☒	☐	☐	☐
Lorie Zapf	☒	☐	☐	☐
Todd Gloria	☒	☐	☐	☐
Myrtle Cole	☒	☐	☐	☐
Mark Kersey	☒	☐	☐	☐
Chris Cate	☒	☐	☐	☐
Scott Sherman	☒	☐	☐	☐
David Alvarez	☒	☐	☐	☐
Marti Emerald	☒	☐	☐	☐

Date of final passage JUN 11 2015

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

(Seal)

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By City Clerk, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 309758