

ORIGINAL

**CONTRACT FOR AMBULANCE SERVICES  
BETWEEN  
THE COUNTY OF ROCKWALL EMERGENCY  
SERVICES CORPORATION  
AND  
MEDIC RESCUE, INCORPORATED**

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**CONTRACT FOR AMBULANCE SERVICES BETWEEN THE  
COUNTY OF ROCKWALL EMERGENCY SERVICES CORPORATION  
AND MEDIC RESCUE, INCORPORATED**

This Agreement for Ambulance Services (this "Agreement") is entered into October 1, 2007 by and between the County of Rockwall Emergency Services Corporation ("Rockwall ESC" or "Corporation") and Medic Rescue, Incorporated, d/b/a Rockwall County EMS ("Medic Rescue"/ "Contractor").

**WITNESSETH:**

**WHEREAS**, Rockwall ESC desires to enter into an ambulance service agreement with Medic Rescue; and

**WHEREAS**, Medic Rescue will provide the ambulance service outlined in this Agreement to the Cities of Rockwall, Heath, Royse City, Fate, McLendon-Chisholm, Mobile City, all unincorporated areas within the County of Rockwall, and respond to emergencies when mutual aid is requested to the portions of Rockwall County located within the incorporated portions of Dallas, Rowlett and Wylie.

**NOW, THEREFORE**, it is hereby mutually agreed between Rockwall ESC and Medic Rescue as follows:

**SECTION I. TERMINATION OF PRIOR CONTRACTS:**

Both parties agree that this Agreement expressly supersedes and revokes all prior contracts and agreements between Rockwall ESC and Medic Rescue, and that, effective immediately, the prior Contract for Ambulance Services between Rockwall ESC and Medic Rescue, is hereby terminated.

**SECTION II. DEFINITIONS:**

The following definitions shall apply to terms as used throughout this Agreement and in the Attachments hereto:

**Advanced Life Support (ALS)** means emergency paramedic pre-hospital care that uses invasive medical acts, as such term may be subsequently defined in the Texas Health & Safety Code.

**Arrival at Incident Location** means the moment an ambulance crew notifies the Communications Center that the ambulance has arrived at its parking position at the scene of an incident (e.g., the entrance to a specific apartment building, not merely the entrance to the apartment complex in general; or an actual accident scene -- not merely an approach location within sight of the accident scene).

**Base Service Work** means all emergency and routine patient transports performed by the Contractor that originate within the Primary Service Area.

**Basic Life Support (BLS)** means emergency pre-hospital care that uses noninvasive medical acts; as such term may be subsequently defined in the Texas Health & Safety Code.

**CAD System** means the computer aided dispatch system provided by Medic Rescue which system shall meet or exceed the functional specifications set forth in Section VIII B.

**Communications Center** means the EMS communications center designated by Medic Rescue as the central communications center from which all ambulances operating in the Primary Service Area are dispatched and controlled.

**Communications System** means all mobile and portable radios; communications center telephone hardware, software and line services; communications system infrastructure including antennae, pagers, consoles, and console equipment.

**Contract Year** means each 12-month period during the term of this Agreement (and any extension thereof) beginning on October 1 12:01 a.m. and ending on September 30 12:00 p.m.

**Dedicated Special Events Coverage** means the posting of personnel and/or equipment at the location of a scheduled special event within the Primary Service Area. Personnel so assigned shall not depart the scene of the event for any reason except to transport a patient in need of immediate transport from the event location to a medical facility, in which case another unit shall be immediately dispatched to resume dedicated coverage of the special event. Contractor may temporarily substitute another response unit (Supervisor vehicle) until another transport-capable unit is available.

**EMS System** means that network of individuals, organizations, facilities and equipment, including but not limited to Medic Rescue, whose participation is required to generate a clinically-appropriate, pre-planned system-wide response to each request for pre-hospital care and/or interfacility transport, so as to provide each patient the best possible chance of survival without disability, given available financial resources and then-current state-of-the-art EMS technology.

**First Responder** means any person, fire department vehicle, police vehicle, or other vehicle not normally used for purposes of patient transport, but which vehicle and

onboard personnel are capable of providing first responder services (Basic Life Support or above) in medical emergencies.

**Major Default** shall mean the occurrence of an event or the existence of a condition as defined in Section XII. B. hereof.

**Medical Director** shall mean a licensed physician selected by Medic Rescue and approved by Rockwall ESC Board of Directors to serve as the contractor's chief medical officer. Medical Director is provided by Contractor.

**Member Jurisdictions** means the Cities of Rockwall, Heath, Royse City, Fate, Mobile City, McLendon-Chisholm, and all unincorporated areas within the County of Rockwall.

**Mobile Intensive Care** means treatment that meets the requirements of an Advanced Life Support emergency medical services provider; and has personnel and sufficient equipment and supplies to provide cardiac monitoring, defibrillation, cardioversion, drug therapy, and two-way radio communication.

**Mutual Aid Import** means an emergency response resulting in a patient transport originating within the Primary Service Area which is performed by an EMS provider other than the Contractor at the Contractor's request.

**Mutual Aid Service Area** means a response to emergencies when mutual aid is requested to the portions of Rockwall County which are located within portions of Rockwall County within the incorporated portions of Dallas, Rowlett and Wylie.

**Overload Status** means anytime current call volume (demand) exceeds scheduled and/or available ambulances to respond, facilitating the need for the additional and immediate staffing of additional personnel.

**Patient Record Form** means the written or electronically recorded patient records, in such reasonable form as is approved by Rockwall ESC, providing for documentation by field personnel on the approved form of all required medical information, billing information and other information related to a single Patient Contact.

**Patient Contact** means direct physical contact with, or on-site observation by the Contractor's personnel of, that person or persons for whom an ambulance was requested and dispatched.

**Primary Service Area** means the geographical area contained within the corporate city limits of each Member Jurisdiction City and all unincorporated areas within the County of Rockwall.

**Priority One** (Call for Service) means a 9-1-1 emergency call for EMS service. Requires an emergency response.

**Priority Two** (Call for Service) means a 9-1-1 call for EMS service that is designated as non-life threatening, using Medical Director approved call prioritization. Requires a normal, non-emergency response.

**Response** shall mean the dispatch by the Medic Rescue Communications Center of an ambulance, or EMS Supervisor vehicle to an incident.

**Response Time Exception** means anytime an ambulance transmits the "unit arrived on scene" status after the allotted contractual time has elapsed, the response will be considered a response time exception, also known as a "late response".

**Response Time Exemption** means a Response Time Exception that has occurred as a result of unusual factors beyond the Contractor's reasonable control, and has been approved as an exemption on a call-by-call basis by Rockwall ESC. These unusual factors are usually limited to unusually severe weather conditions, declared disasters or incorrect caller information as noted in this agreement. Equipment failure, traffic congestion, ambulance failure, EMS dispatch error, or other causes shall not be grounds for granting an exemption and no other causes of late response shall serve to justify exemption from response time requirements unless specifically authorized.

**Rural** (Area) means all areas within the County of Rockwall, including Fate, McLendon-Chisholm, and Mobile City, exclusive of the areas within the city limits of Rockwall, Heath, and Royse City, designation can be changed by mutual agreement.

**Supervisor Vehicle** An emergency vehicle staffed with an ALS provider, complete with all ALS equipment and supplies.

**System Standard of Care** means (i) the compilation of all Medical Priority Dispatch Protocols, medical protocols (i.e., for First Responders and ambulance crews), response time standards, standards for certification of pre-hospital care personnel (i.e. EMS dispatchers, First Responders, ambulance personnel, and base station physicians), and standards governing requirements for on-board medical equipment and supplies, all as set forth in this, and all state laws, rules and regulations governing ambulance services and/or EMS control center operations. The System Standard of Care simultaneously serves as both a contractual standard and, where applicable, a regulatory standard.

**Transport (or Patient Transport)** means the one-way transport by ambulance of a single patient. Furthermore, two patients transported in the same ambulance shall be considered two patient transports.

**Urban** (Area) means the corporate city limits of the cities of Rockwall, Heath, and Royse City, designation can be changed by mutual agreement.

### SECTION III. TERM OF AGREEMENT AND END-TERM PROVISIONS

- A. **Term of Agreement.** The base term of this Agreement shall commence at 12:00 a.m., October 1, 2007 and will be for a period of five (5) years, ending at 11:59 p.m., September 30, 2012. The Contractor may earn up to five (5) extensions of one (1) year each according to the following terms. To earn each extension, the Contractor must substantially exceed the minimum requirements of the contract during the previous one year term. Extensions must be applied for prior to 60 days before the end of each base contract year, and approved annually beginning with the first year of the contract. If granted, the first renewal (or sixth year) of the contract will be granted by the Rockwall ESC and will commence at the end of the existing base contract. This process will repeat for subsequent years of the base contract.

Any year the Contractor's performance has not substantially exceeded the minimum requirements of the contract and the Rockwall ESC does not grant an extension, or any year the Contractor does not apply for an extension will be removed from consideration; shortening the potential length of the contract.

- B. **End-Term Provisions.** In the event the Contractor does not succeed itself at the end of the term of this Agreement (or any Rockwall ESC approved extension); the following end-term provisions shall apply:

1. Rockwall ESC or Designee shall hold a final inspection of any equipment and facilities that may have been provided for the Contractor's use by Rockwall ESC or City prior to midnight on the last day of this Agreement. All equipment furnished by Emergency Services Corporation or other City, shall be returned before final payment.
2. Rockwall ESC may withhold the Contractor's final payment for the last month of service rendered under this Agreement for a period not to exceed 30 days after receipt of the final invoice. During such time, the Contractor shall provide Rockwall ESC, or Designee access to all CAD System records for the purpose of reviewing the final invoice.
3. Except as expressly set forth in this Agreement, the Contractor shall have no further duties under this Agreement after the last day of this Agreement or any Rockwall ESC approved extension.

- C. **Lame Duck Provisions.** Should the Contractor not succeed itself at the end of the term of this Agreement or any Rockwall ESC approved extension, Rockwall ESC shall depend upon the Contractor to continue provision of all services required under this Agreement until the successor contractor assumes service responsibilities. Under these circumstances, the Contractor will, for the remaining term of this Agreement, serve as a "lame duck" contractor. To ensure

continued performance fully consistent with the requirements of this Agreement throughout any such lame duck period, the following provisions shall apply:

1. The Contractor shall make no changes in methods of operation, which could reasonably be considered to be aimed at cutting the Contractor's service below that required by this Agreement in order to maximize profits during such lame duck period.
2. The Contractor shall continue all operations and support services at the same level of performance that were in effect prior to the award of the subsequent agreement to the successor contractor, including, but not limited to, compliance with the provisions related to the qualifications of key personnel.
3. Rockwall ESC recognizes that, if a competing bidder is awarded the contract in a subsequent bid cycle, the Contractor may reasonably begin to prepare for transition of service to the new contractor during the lame duck period, and Contractor shall not unreasonably withhold its approval of the new Contractor's requests to begin an orderly transition process, so long as such transition activities do not impair the Contractor's performance during the lame duck period or negatively impact the quality of patient care.

D. **Conditions for Extensions.** To earn each extension, the contractor must substantially exceed the minimum requirements of the contract during the previous one year term, according to the terms of this agreement. The following conditions apply:

1. **Exercise/Pricing of Option.** Extensions must be applied for prior to 60 days before the end of each base contract year and approved annually by the Rockwall ESC board, beginning with the first year of the contract. Subsidy requests, if any, for any earned extension year must be negotiated between the parties and agreed upon by the Rockwall ESC board prior to twenty-four (24) months of the commencement of said extension year.
2. **Evaluation of Contractor's Performance/Conditions for Extension.** Upon receipt, by Rockwall ESC, of the Contractor's request for an extension in accordance with Paragraph 1 above, the Rockwall ESC, or Designee shall conduct an evaluation and assessment of the Contractor's performance during the previous Contract Year. The following criteria are representative of the expectations of the Rockwall ESC regarding performance of the contractor and shall be minimum standards to be met by the Contractor during the previous Contract Year. The following criteria are representative of the expectations of the Corporation regarding performance:

- (a) The Contractor has consistently achieved response time compliance during the previous Contract Year of Responses of 90% or greater for each measurable category outlined in Section IV, D, 3 Response Time Standards in this agreement. The Contractor shall be deemed to have failed this standard if the Contractor's response time performance falls below 90% compliance for two consecutive months during any Contract Year, regardless of whether such consecutive noncompliance relates to the same or a different priority Response.
  - (b) The Contractor consistently and timely delivers to Rockwall ESC, or Designee, during the previous Contract Year the monthly reports and documentation required by this Agreement with a minimum of inaccurate, deficient or missing documentation.
  - (c) The Contractor consistently demonstrates clinical performance during the previous Contract Year satisfying the requirements of the current System Standard of Care through regular reporting to the Corporation.
  - (d) The Contractor consistently maintains and projects to the general public during the previous Contract Year a professional image to the satisfaction of Rockwall ESC.
  - (e) The Contractor has met the terms of this agreement.
  - (f) The election to extend this agreement is solely a decision of the Corporation.
  - (g) Rockwall ESC may deny the Contractor's request for extension with or without cause.
3. **Expiration of Term.** If the Contractor fails to exercise its option to request an extension of this Agreement in accordance with the above sections or fails to obtain an extension in accordance with the above sections, the term of this Agreement shall automatically terminate (as applicable) at the expiration of the original term or any previously approved extension years.

E. **Medical Director Responsibilities.** The Medical Director is employed by Medic Rescue and is expected to provide medical direction and liaison responsibilities to the Corporation. The Medical Director is expected to oversee and regulate all clinical aspects of ambulance service which affect patient care. The Medical Director selected by Medic Rescue must be approved by the Corporation, or

Designee. The Medical Director, among other duties, shall provide input or direction to:

1. Establish standards for patient care, including standards for ambulance and first responder vehicles and on-board equipment;
2. Develop and revise Medical Protocols for ambulance service and First Responder Organizations;
3. Develop and revise Communications Center protocols;
4. Conduct medical audits and develop standards and procedures for the conduct of such audits;
5. Develop, revise and administer both written and practical tests for the certification and licensing of emergency medical services personnel, including ambulance personnel, First Responders, and EMS Communications Center personnel;
6. Develop, revise and administer educational material, programs and tests to ensure that base station physicians are knowledgeable concerning the EMS System, its medical protocols, radio procedures and transport protocols, and certify qualified physicians as base station physicians;
7. Conduct inspections of vehicles, equipment and supplies on both an announced and unannounced basis;
8. Monitor response time performance of the Contractor;
9. Conduct, on a periodic basis, intensive review of the EMS System's performance relative to specific clinical types and revise medical protocols and such other standards of the EMS System as may be appropriate;
10. Participate in the implementation and review of the Quality Improvement program implemented by the Contractor.

**F. Contractor's Functional Responsibilities.** During the term of this Agreement, the Contractor shall provide and manage delivery of ground ambulance services meeting or exceeding requirements of the System Standard of Care, and provide other ancillary services (e.g., medical standby services, public education and information services, etc.). The Contractor's clinical and Response Time performance must meet or exceed standards set forth in this Agreement and the System Standard of Care. The Contractor is the authorized and exclusive Contractor of emergency ambulance services. Medical control, protocols and standards of patient care are the responsibility of the Medical Director -- not the Contractor.

The listing below of Contractor responsibilities should be considered illustrative only and not complete. Along with other duties and responsibilities as defined within the scope of this agreement, the Contractor shall:

1. Employ, supervise and manage ambulance personnel and Communications Center personnel;
2. Provide or purchase all in-service training required of ambulance and Communications Center personnel;
3. Provide all equipment necessary to provide the services required of the Contractor under this Agreement;
4. Furnish all maintenance, insurance, and repairs for equipment utilized in the performance of this Agreement;
5. Furnish supply inventory and replacement supplies used by ambulance crews and maintain a system of inventory control;
6. Operate the Communications Center and ambulance system to meet all applicable staffing, clinical, and response time standards in compliance with state laws and regulations, the System Standard of Care, this Agreement and approved medical protocols;
7. Maintain good working relationships with First Responders to ensure continued first responder support; participate in on-scene equipment exchange program (when available); replace on a one-for-one basis supplies used by First Responders in rendering patient care (to the extent replacement supplies are stocked on the Contractor's ambulance); provide paramedic-assist training to First Responders without additional charge; and, make available by advance notice, at no additional charge, the Contractor's own in-service training programs to First Response personnel operating within the Primary Service Area;
8. Submit to the Corporation, or Designee, on a timely basis, as required by this Agreement, accurate and complete reporting on clinical, billing, and response time related data in a report format satisfactory to Rockwall ESC, see Attachment #1;
9. Secure at the Contractor's own expense such ambulance housing locations as the Contractor deems necessary;
10. Maintain good working relationships with law enforcement agencies in the Primary Service Area;

11. Ensure courteous, professional, and safe conduct of all ambulance personnel, Communications Center personnel, and other staff at all times;
12. Maintain neat, clean, and professional appearance of all personnel, equipment, and facilities;
13. Promote and maintain Contractor's good reputation through superior service and courteous and professional conduct, prompt response and follow-up to inquiries and complaints, leadership in community CPR programs, leadership in such community activities as health fairs, school demonstrations and civic affairs, and participation in local radio and television media events, business and social group meetings, etc.;
14. Maintain a current and extensive knowledge of developments in equipment, procedures, and research throughout the EMS industry.
15. Maintain state and/or local personnel certifications.
16. Inform Rockwall ESC, or Designee in a timely matter of activities, issues, and policy/procedure modifications (internal and external) that fall within the areas of the Contractor's responsibility and which come to the attention of the Contractor's management or which would reasonably be expected to be known to the management of a well-managed firm, and which may reasonably be expected to affect Rockwall ESC (positively or negatively);
17. Participate and cooperate with the Medical Director in its medical audits and investigations. The Contractor shall cooperate in scheduling personnel for audits and in securing related information, and the Contractor's training officer or his designee shall attend every medical audit session to ensure that medical audit findings are routinely translated into system-wide improvements by way of pre-service training, in-service training, protocol changes, or other appropriate methods;
18. Participate actively in public information and public education programs.
19. Participate with emergency preparedness/disaster response by sending at least one representative to any and all emergency-management related training classes as requested by Rockwall ESC or any Member Jurisdiction. Such training may include, but is not limited to tabletop exercises, functional exercises, full-scale exercises, mass casualty training, etc.
20. Provide pre-hospital care and transportation of prisoners in custody of prisoners in custody of the County whose medical condition requires transportation by ambulance, to pre-designated hospital(s) within Rockwall

County or to a Dallas County hospital if the patient's condition requires a higher level of care. Fees for this service are included in the cost of this Agreement.

21. Provide Contractor representation at Rockwall ESC monthly meetings.

#### **SECTION IV. OPERATIONS MANAGEMENT PROVISIONS**

- A. **Scope of Service.** The Contractor shall furnish all emergency and ground ambulance service for the entire population of the Primary Service Area. Aero medical helicopter rescue services will be provided by other agencies and will not be the responsibility of the Contractor.

All ambulances shall be staffed and equipped to render ALS care at the MICU level. Each ambulance will be staffed with at least two crewmembers, both of whom shall be certified emergency medical technician-paramedic.

In the event an overload situation occurs, where an unexpected event or events results in system demand outstripping Contractor's scheduled resources, the Contractor will make every attempt to staff additional ambulances, placed in service at the required two (2) certified emergency medical technician – paramedic level. In the rare occurrence that an emergency call is holding and the only available crew is comprised of a certified emergency medical technician (EMT) and an certified emergency medical technician – paramedic, that crew may respond to a system request until additional paramedic personnel are available. Any such instance must be reported to the Rockwall EMS Board during the next scheduled meeting. The Contractor is exempt from this requirement during a declared mass casualty (MCI) or disaster situation.

Additionally, the Contractor shall furnish stand-by special events coverage, mutual aid services, and medical dispatch services, as specified in this Agreement. Rockwall ESC expects the Contractor to cooperate and assist in identifying and reducing the number of ambulance transports that are not medically necessary.

- B. **Contractor Collections.** Contractor will be responsible for billing all ambulance calls and will use all available recourses, including the services of a collection agency if necessary, to maximize the collection rate of all fee-for-service accounts, to minimize reliance on tax-based subsidy.

**Rate Approval.** Rockwall ESC must approve Contractor billing rates (Attachment #2).

- C. **Response Time Performance.** System response times are a key unit of measurement to which today's high performance ambulance services are held.

This measurement is the determining factor that drives the placement and redeployment of the system's resources throughout the entire system. All response times in the Contractor's system are to be measured in seconds, not whole minutes.

The Contractor shall use its best efforts to minimize variations or fluctuations in response time performance. Superior response time performance by the Contractor during one part of a month shall not justify inferior response time performance during the remainder of the month.

The Contractor shall not be held accountable for emergency or non-emergency response time compliance for any request for service originating outside the Primary Service Area, nor will these calls be counted in the number of total calls used to determine response time compliance under this Agreement. For presumptively designated emergency calls, the Contractor will cause the notification of the appropriate First Responder agencies in accordance with then current standards as mutually agreed upon by all agencies involved.

**D. Response Times.** Response times in the Primary Service Area shall be determined as follows:

- 1. Response Time Measurement.** Priority 1 and Priority 2 response times shall be measured via the CAD System from the moment of receipt at the Contractor's Communications Center of a valid address, type of call and callback number, until the Contractor's Communications Center is notified of the first arriving MICU ambulance approved for transport, or Supervisor Vehicle staffed with a certified emergency medical technician-paramedic's arrival at the incident/location. Each incident will be counted as a single Response regardless of the number of units that respond.

The parties understand and agree that to avoid delaying actual patient contact; "arrival" notification shall normally be given immediately prior to parking the ambulance -- not after the ambulance has been parked. In cases of response to incidents where there is reason to believe the scene is unsafe, either by approved protocol or incident-specific factors, the Contractor's response time clock shall be stopped the moment its ambulance arrives at a safe or designated staging area proximate to the scene. In responses to locations lacking access by way of a street or road maintained for public or private use, response time shall be measured as the interval between time-call-received and the moment the responding crew advises the Communications Center that they are leaving the paved street or road to access the patient.

- 2. Upgrades, Downgrades and Reassignments.** From time to time special circumstances may cause changes in call priority classification. Response time calculations for determination of compliance will be as follows:

- (a) **Upgrades.** If a Response is upgraded prior to Arrival at Incident Location (e.g., from Priority 2 to Priority 1), the Contractor's compliance will be calculated based on the time elapsed from the time of upgrade to Arrival at Incident Location.
- (b) **Downgrades.** If a Response is downgraded prior to Arrival at Incident Location (e.g., from Priority 1 to Priority 2), the Contractor's compliance will be calculated based on the time of receipt of the downgrade as follows:
  - (1) If the Priority 1 Response is downgraded after the response time standard has elapsed, the Response will be recorded as a late Priority 1 response, or
  - (2) If the Priority 1 Response is downgraded before the response time standard has elapsed, the time required to drive non-emergency to the scene is expected from the contractor.

All downgrades will be subject to protocols developed by the Medical Director.

- (c) **Reassignment enroute.** If an ambulance is reassigned enroute, prior to Arrival at Incident/Location (e.g., to respond to a higher priority request), the Contractor's compliance will be calculated based on the response time standard applicable to the assigned priority of the initial Response. The response time clock will not stop until the Arrival at Incident/Location on the scene from which the ambulance was diverted.

3. **Response Time Standards.** The Contractor must comply with the agreement by meeting the specified response times. The priority designation of an assignment is accomplished by presumptive prioritization in accordance with then current Medical Protocols. The Contractor will be deemed to be in compliance if 90% or more of all Patient Contacts, measured monthly, meet the following specified response time criteria:

<b>Priority</b>	<b>Maximum <u>Urban</u> Response Time</b>	<b>Maximum <u>Rural</u> Response Time</b>
<b>1</b> <i>Emergency Response</i>	<b>7:59 min</b>	<b>11:59 min</b>
<b>2</b> <i>Emergent Response</i>	<b>11:59 min</b>	<b>14:59 min</b>

Failure to comply with the response time standards could lead to Contractor default and/or failure by the Contractor to obtain Rockwall ESC approval for future extension requests as described in Sections XII and III, D., respectively.

- (a) The Contractor's Supervisor Vehicle, staffed with a licensed emergency medical technician-paramedic may "stop the clock" on Arrival at Location/Incident. This apparatus may be used to compliment, not supplement a Mobile Intensive Care Unit's response. Should the Contractor choose to dispatch an appropriately staffed Supervisor Vehicle, the MICU must arrive within 14:59 minutes after initial receipt of the call at the Contractor's Communications Center. Each incident will result in an activity report to the Corporation, detailing the Supervisor Vehicle's response time, and the responding MICU' response time so any delay in the arrival of a transport capable ambulance can be identified.
  - (b) For every Response (resulting in Patient Contact) in every presumptively defined category exceeding the response time standards set forth above, the Contractor shall submit a written report, at least monthly, documenting the cause of the late response time and the Contractor's efforts to eliminate recurrence.
  - (c) Services provided by any party other than the Contractor under a mutual aid agreement shall not relieve the Contractor of its response time responsibilities for those Responses. If the response occurred in the Primary Service Area it will be subject to the same standards and criteria, required of the Contractor under this Agreement.
4. **Response Time Exceptions and Exemptions.** The Contractor shall maintain mechanisms for reserve production capacity to increase production should temporary Overload Status persist. However, it is understood that from time to time, unusual factors beyond the Contractor's reasonable control affect the achievement of the specified response time standards. For purposes of determining the Contractor's compliance with

the response time standards set forth herein, every request for ambulance service originating within the Primary Service Area shall be counted, except as follows:

The following shall not, for purposes of reporting response times, be counted as a Response or as a Response Time Exception:

- (a) Responses not resulting in Patient Contact, unless the call was cancelled by the caller after expiration of the applicable response time standard; and/or
- (b) Responses occurring:
  - (1) during a period of severe weather conditions, such that response time compliance is either impossible or could be achieved only at a greater risk to EMS personnel or the public than would result from delayed response; and
  - (2) requests during a disaster, locally or in a neighboring jurisdiction (in accordance with a Rockwall ESC approved mutual aid agreement), in which the Contractor is rendering.

The following (c & d) shall be counted as a Response and shall not be counted as a late response,

- (c) Responses in which the Contractor can fully document that the response time was excessive as a direct result of incorrect location provided either by the individual caller or by another agency.
- (d) Responses in which the Contractor can fully document that the response time was achieved within the appropriate criteria which may appear as late runs due to miscellaneous circumstances.

No other causes of late response (e.g. equipment failures, traffic congestion, vehicular accident regardless of origin, ambulance failures, dispatch errors, or inability to staff units) shall serve to justify exemption from response time requirements.

In all cases, if the Contractor believes that any Response or group of Responses should be exempted from the calculation of the response time standards due to reasons listed in (a) – (d), above, the Contractor must provide detailed documentation to Rockwall ESC, or designee and request that these runs be excluded from the response time calculations. Any such request must be in writing and received by the Corporation or designee within fifteen (15) business days after the end of each month.

Rockwall ESC or designee will review the request and issue a determination. Rockwall ESC's ruling shall be final and binding.

5. **Response Time Audit Trail.** The Contractor shall develop and maintain a system to assure a complete audit trail for all response times, which shall be incorporated into the software program operating the CAD System.

## **SECTION V. SCOPE AND QUALITY OF WORK**

In consideration of the compensation provided for herein, the Contractor shall perform as follows:

- A. **General Service Requirements.** The Contractor shall, throughout the term of this Agreement, cause every request for ambulance service from within the Primary Service Area to be answered and managed by a certified Emergency Medical Technician (EMT) with Emergency Medical Dispatch (EMD) training; dispatch an MICU ambulance to every such request; transport every patient requiring transport to a medical facility by an MICU ambulance.

The Contractor shall report to Rockwall ESC any specific individuals who are chronic abusers of the transport requirements of the EMS System. Subject to the System Standard of Care established by the Medical Director for such identified abusers, the Contractor may decline to transport such individuals.

- B. **Performance Standards.**

1. **Clinical Requirements.** The clinical requirements under this Agreement are established by Rockwall ESC in accordance with the System Standard of Care. The applicable medical protocols shall be the most recent protocols approved by the system Medical Director and approved by the Corporation. The Contractor is required to fully comply with the System Standard of Care with respect to its clinical performance, and in so doing, the Contractor's clinical performance satisfies the scope of this specification. The Contractor's failure to do so may constitute a Major Default as provided in Section XII hereof.
2. **Contractor Communications Center Requirements.** Rockwall ESC expects that emergency lines will be answered on the first ring, and the Contractor shall take such steps as are reasonably necessary to staff and operate the Communications Center in order to meet this standard. All medical communications personnel, at a minimum, shall be certified as Emergency Medical Technicians, and shall have and maintain Emergency Medical Dispatch training.

Failure of the Contractor to respond to a call or failure to transport or to render emergency medical patient assessment and treatment, as appropriate, or to otherwise refuse or fail to provide ambulance services originating within the Primary Service Area because of the patient's perceived, demonstrated or stated inability to pay for such services, or because of the unavailability or location of any ambulance unit at the time of the request for ambulance service, may constitute a Major Default.

3. **Professional Appearance, Conduct, and Courtesy Requirements.** County of Rockwall Emergency Services Corporation expects professional and courteous conduct at all times from all Contractor personnel. The Contractor is encouraged to consider this requirement in conducting personnel selection. Also, any occasional transgressions regarding professional and courteous behavior must be immediately addressed and corrected by the Contractor. Failure of the Contractor to achieve this standard may constitute a Major Default under this Agreement.
4. **Dress/Appearance Code.** Contractor shall require a mutually approved standard dress/appearance code to be implemented to include, but not limited to, a standard uniform to be worn by all crewmembers. Each employee uniform shirt shall have the employee's name and level of Texas Department of State Health Services EMS certification.
5. **Quality Improvement Program.** It is the Corporation's desire that the Contractor develops and implements a comprehensive Quality Improvement (QI) program for the EMS System. To this end, the Contractor shall implement and maintain an organized, budgeted, scheduled, and effective Quality Improvement program.
6. **Community Service and Education Requirements.** The Corporation desires that the Contractor participate in community education programs emphasizing preventative health care. These programs are to be made available to schools and community groups located or operating within the Primary Service Area. It is Rockwall ESC's expectation that the Contractor will plan such programs working collaboratively with other public safety and EMS-related groups, such as the American Heart Association, the American Red Cross, and local fire departments.
7. **Stand-by and Special Events Coverage.** Upon request by law enforcement and fire department dispatchers, the Contractor shall, without additional compensation, furnish standby coverage at emergency incidents within the Primary Service Area involving a potential danger to the personnel of the requesting agency or to the general public.
  - (a) Other entities and organizations may request Dedicated Special Events Coverage from Contractor. The Contractor shall provide

such Dedicated Special Events Coverage if reasonably possible, only in such a way as to not interfere with the performance requirements of this agreement.

8. **Location of System Resources.** The Contractor will use its system resources located in Rockwall County in order meet the requirements of this agreement. The Contractor will not attempt to operate the provisions of this agreement from neighboring counties or locations using shared resources.
  9. **Equipment and Supply Replenishment.** The Contractor shall develop mechanisms to exchange reusable orthopedic appliances and restock disposable and BLS and ALS medical supplies used by First Responders when treatment has been provided by First Responder personnel and patient care is assumed by the Contractor's personnel. Equipment and supplies stocked on the Contractor's ambulances shall be exchanged on a one-for-one basis. Whenever possible, this exchange should be accomplished at the scene. If patient care or circumstances at the scene prevent an on-scene exchange, the Contractor shall arrange to accomplish the exchange as soon as reasonably possible.
  10. **Return to Station.** In any situation in which First Responder personnel assist the Contractor during transport, the Contractor shall provide or arrange return transportation for such personnel to their station or post as soon as reasonably possible.
- C. **Disaster Assistance.** The Contractor shall actively participate with Rockwall ESC and Member Jurisdictions in planning for and responding to any declared disaster in any of the Primary Response Area. Mass casualty incident plans and emergency disaster plans following Incident Command System (ICS), Incident Management System (IMS) or other uniform command system guidelines have been developed and provided to the Contractor. The Contractor shall commit such resources as are necessary and appropriate, given the nature of the disaster, and shall assist in accordance with disaster plans and protocols established by each Member Jurisdiction.

The disaster-related provisions of this Agreement are:

1. During such periods, the Contractor shall be released from response time performance requirements for all Responses, until notified by Rockwall ESC, or designee that disaster assistance may be terminated, and for a reasonable period thereafter to allow orderly restoration of coverage. At the scene of such disasters, the Contractor's personnel shall perform in accordance with local disaster plans.

2. When disaster assistance has been terminated, the Contractor shall resume normal operations as rapidly as is practical considering exhaustion of personnel, need for restocking, and other relevant considerations.
3. During the course of the disaster, the Contractor shall use its best efforts to maintain emergency service throughout the Primary Service Area, and is encouraged to suspend or ration non-emergency transport work as necessary, informing persons requesting such non-emergency service of the reason for the temporary suspension.
4. At the conclusion of such disaster assistance, the Contractor shall determine its direct marginal costs incurred in the course of rendering disaster assistance (i.e., production costs incurred by the Contractor that would not have been incurred if disaster assistance had not been rendered) that are not recoverable from third parties, and shall present such cost statement to the Corporation, or designee for review, acceptance, and reimbursement. The cost statement associated with rendering aid under disaster conditions shall be based solely upon the direct marginal costs incurred by the Contractor in the course of rendering such disaster assistance, and shall not include costs of maintaining production capacity that would have been borne by the Contractor to meet normal service requirements if the disaster had not occurred. Reimbursement shall be made only in regard to actual, reasonable and verifiable direct marginal costs incurred.

**D. Mutual Aid.** The Contractor shall enter into or maintain mutual aid agreements with other providers which will utilize the other Contractor's units and personnel to occasionally respond to calls within the Primary Service Area, provided that such mutual aid agreements are first approved in writing by the Corporation. The Contractor will only enter into mutual aid agreements that support emergency medical service in the Primary Service Area.

All services provided by any party other than the Contractor under a mutual aid agreement shall be subject to the same standards and criteria, including response times, as required of the Contractor under this Agreement. Any mutual aid utilized by the Contractor may only supplement, and not replace, the services required of the Contractor under this Agreement.

## **SECTION VI. FINANCIAL PROVISIONS**

In addition to provisions herein allowing the Contractor's use of facilities and/or equipment provided by Rockwall ESC or any Member Jurisdiction, the following provisions for monetary compensation are agreed to by the parties:

**A. Payment for Services.** Rockwall ESC shall pay the Contractor the monthly amount of (see fee schedule below) for service rendered under this agreement, said payment to be made within five (5) business days after the end of the month. The monthly amount for this five (5) year contract will be based on the following fee schedule.

Budget Year	07-08	08-09	09-10	10-11	11-12
Subsidy per Year	\$444,359	\$452,089	\$458,326	\$464,537	\$470,756
Subsidy per Month	\$37,030	\$37,674	\$38,194	\$38,711	\$39,230

**B. Adjustment for Increased Standards of Production.** The Contractor shall be entitled to apply for a negotiated adjustment to the Contractor's monthly payment (subsidy) and/or billing rates in the event of (i) externally-imposed changes in the requirements of this Agreement, including changes in the System Standard of Care, or (ii) changes in applicable federal, state, or local laws, rules or regulations, when such changes require adjustments to the Contractor's operations which may reasonably be expected to increase the Contractor's cost of producing the services which are the subject of this Agreement. For purposes of this provision, "externally-imposed" means a change which is mandatory, unavoidable and not optional to the Contractor, regardless of whether enactment of such change was initiated or supported by the Contractor, or a change which, in the exercise of the Contractor's judgment and experience, could not have been reasonably anticipated by the Contractor, including changes in external market forces. In determining the amount of any such compensation adjustment, the following stipulations shall apply:

1. The burden of proving the fact and amount of such actual and reasonable financial impact upon the Contractor's production costs shall rest entirely with the Contractor.
2. This provision shall not apply to changes in production standards, which were known to the Contractor, or which should have been known to a well-managed ambulance company at the time this Agreement was signed.
3. The standard in question must actually constitute an increase in requirements—not merely a clarification of a previously existing standard or an application of the "rule of reason" to interpret an existing standard.
4. In applying for such actual-cost increases in compensation, the Contractor must clearly demonstrate to the Corporation's satisfaction that the stated costs are actual, unavoidable, and in addition to costs which would have been incurred by the Contractor if the new standard had not been imposed.
5. Training-related costs shall be considered only to the extent such training is in excess of in-service and other training requirements of this Agreement, the proposal and/or the System Standard of Care, and in the

opinion of the Medical Director and the Corporation, could not reasonably have been incorporated within regularly-scheduled training sessions.

6. In the event applicable federal, state, or local laws, rules or regulations, are relaxed so as to permit changes in the Contractor's operations which may reasonably be expected to decrease the Contractor's cost of producing the services which are the subject of this Agreement, the base service monthly payment shall be subject to reduction using the same methods of adjustment which are applicable to an increase in standards.
  7. Any adjustment to the Contractor's base service monthly payment attributable to a change in applicable laws, rules or regulations shall be made as of the effective date of the new or amended law, rule or regulation.
- C. **Adjustment in Monthly Billing Rate (Subsidy).** For the term of this agreement there will be no anticipated or scheduled adjustment to the subsidy payments, except as provided in part B., above. Adjustments (increases or decreases) to the payment for services may be requested and negotiated as part of the requested extensions.
- D. **Exclusive Service Agreement.** Participating jurisdictions agree to utilize the Contractor solely within their jurisdictions. Exclusive service agreement shall include all requests for emergency and non-emergency transports and requests, including requests originating from nursing homes, hospice, and other long-term medical health care facilities. Member Jurisdictions are encouraged, through contacts with the Corporation, to exclusively use the Contractor's EMS services and to that end develop and employ "City Ordinances" whenever possible.
- E. **Adjustments For Withdrawal of Member Jurisdiction.** In the event a Member Jurisdiction withdraws from the Rockwall ESC or withdraws from participation in EMS Special Services, either the Corporation or the Contractor may negotiate rate adjustments. A request of this nature must be made to the other party within 30 days after a member jurisdiction has officially withdrawn from the Corporation.

## SECTION VII. GENERAL PROVISIONS

- A. **All-ALS, Full-Service System.** All ambulances rendering services pursuant to this Agreement, whether engaged in response to a 911 medical request, other request for emergency, or Dedicated Special Events Coverage, shall be staffed and equipped to render MICU paramedic-level care, unless otherwise approved by the Corporation.
- B. **Nature of Commitment.** The nature of contractual commitment by the Contractor shall be performance, not "level-of-effort." Clinical and response time

performance shall be reliable, with equipment failure and human error held to an absolute minimum through constant attention to performance, protocol, performance auditing, failure analysis, and prompt and definitive corrective action. This Agreement requires the highest levels of performance and reliability, and the mere demonstration of effort, even diligent and well-intentioned effort, shall not substitute for required performance results. The Contractor is specifically being retained for its expertise in effectively managing the efficient delivery of paramedic ambulance services.

- C. **Profit and Loss.** As this Agreement is a "fixed-price performance contract for requirements," and not a "cost-reimbursable, level-of-effort contract," any discrepancy between the Contractor's actual cost of providing the contracted services at the System Standard of Care and the Contractor's total net revenues from the delivery of those same services, whether profit or loss, shall not constitute grounds for compensation adjustment or relief from contractual performance commitments.
- D. **Use Own Expertise and Judgment.** The Contractor is specifically advised to use its own best expert and professional judgment in deciding upon the methods to be employed to achieve and maintain the levels of performance required hereunder. Such methods include compensation programs, shift schedules, personnel policies, supervisory structures, vehicle deployment techniques, and other internal matters which, taken together, comprise the Contractor's own strategies and tactics for achieving the performance standards required by this Agreement.
- E. **Business Volumes Not Guaranteed.** Rockwall ESC declines to put forth any representations, estimates or predictions regarding the frequency of 911 medical requests, which may originate within the Primary Service Area during the term of this Agreement, or the percentage of such Patient Contacts which may result in patient transports which the Contractor may receive.
- F. **Compliance With Laws.** All services furnished by the Contractor under this Agreement shall be rendered in full compliance with applicable federal, state and local laws, ordinances, rules and regulations. It shall be the Contractor's sole responsibility to determine which laws, rules, and regulations apply to the services rendered under this Agreement, and to maintain compliance with those applicable standards at all times. The Contractor also shall comply with the provisions of all regulations and written guidelines established by the Medical Director.
- G. **Outside Work.** Except as otherwise provided, should the Contractor desire to use any Rockwall ESC provided equipment or services to clients other than those within the Primary Response Area, the Contractor shall submit to the Corporation, or designee a written request for approval of such use, and provided

the following conditions are met, such approval shall not be unreasonably withheld.

(1) **Added Personnel, Vehicles, and Equipment.** The Contractor shall expand its production resources at its own expense, as necessary to conduct the additional business without decreasing service to the Primary Service Area.

(2). **Trade Name for Outside Work.** All such outside work shall be performed under the Contractor's own trade name and, if applicable, license – not those of "County of Rockwall Emergency Services Corporation".

H. **Permits & Licenses.** The Contractor shall be responsible for obtaining all necessary licenses, permits, and certifications required for initiation and completion of its work under this Agreement. The Contractor shall make all necessary payments for licenses and permits to conduct its business and duties under this Agreement. The Contractor shall take such steps as are necessary to renew all licenses and permits on a timely basis. The Contractor shall ensure that all of its employees hold valid and current state and local certifications as are required to meet the Contractor's responsibilities under this Agreement.

I. **Inspections and Audits.** Rockwall ESC, or it's designee, and the Medical Director may, at any time, and without notification, directly observe the Contractor's operation of the Communications Center, maintenance facility, and any ambulance post location, and may ride as a "third person" observer on any ambulance unit at any time. Provided, however, that in exercising this right to inspection and observation, such representatives shall conduct themselves in a professional and courteous manner, shall not interfere in any way with the Contractor's employees in the performance of their duties, shall at all times be respectful of the Contractor's employer/employee relationships, and shall be subject to such reasonable risk-management requirements as may be specified by the Contractor, including but not limited to compliance with applicable OSHA requirements and execution of a waiver of liability.

Rockwall ESC, or it's designee, and the Medical Director shall have the right, upon at least 48 hours advance notice to the Contractor (provided, however, no advance notice shall be required if the Corporation has a reasonable basis to suspect fraud or willful falsification of data), to audit all reports, data, and financial information that the Contractor is required to provide and/or maintain under this Agreement. All audits may be conducted only during normal business hours and in such manner as to cause as little interference with the Contractor's normal operations as reasonably possible.

J. **Vehicle Markings & Advertising Restrictions.** Rockwall ESC shall have the right of prior approval of the form and content of all public information and advertising, direct or indirect, utilized by the Contractor in conjunction with

services and operations related to this Agreement. In general, all vehicle markings, local advertising, employees' uniforms and uniform markings, public information material and programs, and "Yellow Pages" advertising shall utilize Contractor's – not the "County of Rockwall Emergency Services Corporation" name and trademark.

- K. **Emergency Driving Privilege.** All applicable state rules and regulations governing emergency and non-emergency vehicle driving privileges shall be observed during the term of this Agreement. The Contractor shall require all of its vehicles to be operated in a safe, courteous, and professional manner at all times.
- L. **No On-Scene Collections.** Except as approved by the Corporation, or designee the Contractor's personnel shall not request or accept payment, on scene or at the time of service, for ambulance services rendered.
- M. **Annual Review and Evaluation of EMS System.** Rockwall ESC and the Contractor acknowledge that continual review and evaluation of the entire EMS System will be beneficial to both the providers and users of emergency and non-emergency ambulance services. To this end and to enhance the Contractor's ability to serve this Agreement on an on-going basis, the Contractor, and the Medical Director shall jointly conduct an annual review and evaluation of the entire EMS System, including the performance and delivery of services by the Contractor under this Agreement. Such review and evaluation process may result in improvements in the delivery of ambulance services, further cost efficiencies, and possible changes to the System Standard of Care. It is anticipated that such review and evaluation shall be conducted during July of each year during the term of this Agreement. The parties agree to cooperate with each other and to provide such information as is reasonably requested by any party participating in this review and evaluation process. The parties recognize that such information may involve trade secrets and commercial and financial information that could be of value to the Contractor's competitors and that such information is extremely proprietary in nature, containing information for which a significant amount of money has been expended by the Contractor in developing and which could not be properly acquired or duplicated by the Contractor's competitors without a great deal of difficulty. Therefore, Rockwall ESC agrees that should it receive any Open Records Request for such information under applicable law, it will promptly notify the Contractor, provide the Contractor with a copy of the request, and will not release such information to the requesting party (unless otherwise advised by the Corporation's legal counsel) before allowing the Contractor a reasonable period of time (not to exceed any deadline imposed by applicable law) to object to the disclosure of such information by the Corporation. Any such objection shall be in writing and shall specify the exceptions under applicable law which would permit Rockwall ESC not to release such information.

- N. **Force Majeure.** Notwithstanding anything else contained in this Agreement, the Contractor shall not be responsible to the Corporation for any loss or damage resulting from any delay or failure in performing services or complying with any other provision of this Agreement if the delay or failure results directly from (a) compliance with any mandatory law, ruling, order, regulation, requirement or instructions of the government of the United States of America, or of any state, agency, political subdivision or local government thereof, or any civil or military authority, but only to the extent compliance therewith prevents or substantially limits the Contractor's ability to fully and timely perform its duties hereunder; (b) acts of God occurring within the Primary Service Area, including earthquakes, fires, hurricanes, tornadoes, storms and floods; (c) riots, insurrections, civil disturbances, explosions, nuclear accidents, or wars; (d) intentional acts of Rockwall ESC that substantially and materially interfere with or prevent the Contractor's performance under this Agreement; or (e) any strike, slowdown, mass resignation, mass absenteeism, or any type of concerted work stoppage by employees of emergency medical services providers occurring on a national or regional basis but expressly excluding any such labor difficulties experienced only by the Contractor or its affiliates. Any delay resulting from any such causes shall extend performance accordingly, or excuse performance in whole or in part, but only to the extent and only for such period of time as the Contractor diligently and expeditiously attempts to remedy the delay in performance caused by such event of Force Majeure. In the event any event of Force Majeure results in the delay or failure of the performance of services by the Contractor hereunder for more than three (3) consecutive days, the parties agree to immediately meet and use their best efforts to resolve the problems caused by such event of Force Majeure. Nothing in this section shall in any way limit, impede or delay the Corporation's right and ability to draw on, or recover against, the performance security pursuant to section "Major Default & Takeover Provisions" hereof, and in connection therewith, any assertion by the Contractor of an event of Force Majeure shall be subject to the provisions of section "Major Default & Takeover Provisions".
- O. **Ambulances.** The Contractor shall acquire at no cost to the Corporation, all ambulances and other vehicles necessary to perform the requirements of this agreement. All ambulances will be Type I or Type III M.I.C.U.'s fully compliant with all applicable local, state and federal laws. These units must be licensed through Texas Department of State Health Services (Texas DSHS) and must be appropriately stocked with equipment and supplies, and must be capable of being staffed to accommodate Overload Status demands.

The Contractor will maintain its M.I.C.U.'s in good working order and meet Texas DSHS's inspections or will replace the unit at no cost to the Corporation. All units used in the provision of services in this Agreement will be maintained through the company's fleet maintenance program and will not exceed 250,000 miles.

## SECTION VIII. DATA COLLECTION & REPORTING SYSTEM

- A. **Data Collection and Reporting.** All records and data maintained and collected by the Contractor in the delivery of services under this Agreement shall be made available to the Corporation, or its designee, upon request. The Contractor shall meet all requirements of Section VIII within six months after the commencement of this contract. The Contractor is encouraged to meet the requirements of Section VIII in as short of time as possible.
- B. **Computer Aided Dispatch (CAD) System.** The Contractor shall provide, maintain, and operate, a computer aided dispatch system to record dispatch information for all ambulance requests. The CAD time recording system shall include the date, hour, minutes and seconds. All telephone communications, including pre-arrival instructions and time track, and radio communications shall be recorded on tape and made available for Rockwall ESC's review for a minimum of 90 days after the date of recording. The CAD System shall be capable of the following minimum requirements:
1. electronic data entry of every Response on a real-time basis;
  2. prioritization of deployment planning, displaying calls received for runs pending, runs in progress, and status of ambulance resources available for service;
  3. continuous display of unit time in each response status. Automatic display of units exceeding pre-determined "time in status" criteria for deployment and crew safety;
  4. immediate recall on any current, previous, or pre-scheduled run for inquiry by date, incident number, location or patient name, available for immediate recall for the contract period. Data older than 180 days must be made available to the Corporation within five (5) business day after the Contractor's receipt of such request;
  5. on-line, real time visual display showing a deployment plan and prioritization of Primary Service Area coverage for that time of day and day of week. Visual displays of deployment plans must be available for both actual and hypothetical ambulance availability levels;
  6. security features preventing unauthorized access or retrospective adjustment and full audit trail documentation.
- C. **Communication Center Data Capabilities.** The CAD System must be capable of producing the following reports to be utilized, among other purposes, in measuring response time compliance:

1. emergency life threatening and non-life threatening response times by Member Jurisdiction and by user definition, including CAD notes for late calls;
2. out-of-chute response times by crew members;
3. on-scene times;
4. hospital drop times by crew members;
5. emergency and non-emergency responses by hour and day;
6. dispatch personnel response times reports;
7. cancelled run reports;
8. response districts (jurisdictions).

If the CAD system is at any time inoperable or malfunctioning, the Contractor shall fully complete a manual "dispatch card" (in such form as approved by the Corporation, or it's designee) for each dispatch of an ambulance while the CAD system is inoperable. Immediately following the normal operation of the CAD system, the Contractor shall enter the manual dispatch cards into the CAD system.

## **SECTION IX. EQUIPMENT & FACILITIES**

Equipment and facilities furnished by Rockwall ESC for the Contractor's use in rendering the services under this Agreement are furnished by the Corporation and accepted by the Contractor subject to the following:

### **A. Equipment and Facilities Furnished by Rockwall ESC.**

1. **Communications System.** The Corporation represents that the Communications System equipment provided for Contractor shall be in good working order and condition as of the effective date of this Agreement..
2. **Facilities.** The Corporation or Member Jurisdictions may provide EMS housing facilities to Contractor.

### **B. Maintenance of Equipment Furnished by Rockwall ESC.**

1. **Communications System.** The Communications System shall be maintained and repaired by the City of Rockwall during the term of this

Agreement, except for losses and repairs due to loss, theft, abuse or neglect for which the Contractor shall be liable. The Contractor shall be responsible for coordinating the installation of all mobile communications equipment. The Corporation shall be responsible for providing and maintaining emergency communication interfaces [which now exist or may be required in the future as part of the Communications System.] The Contractor shall be responsible for the costs of reinstalling mobile communications equipment in replacement vehicles upon retirement of vehicles from the initial fleet.

**C. Facilities and Equipment Furnished by Contractor**

1. **Ambulances and Other Vehicles.** Contractor shall provide such number and type of ambulances and other vehicles as are necessary to allow the Contractor to perform all of its obligations under, and to meet or exceed all performance criteria required of the Contractor by this Agreement. All costs of maintenance and repairs for the ambulances and other vehicles provided by Contractor, including parts, supplies, spare parts and inventory, labor, subcontracted services, and costs of extended maintenance contracts and extended warranties, and vehicle licenses, shall be the Contractor's sole responsibility and expense. The Contractor shall be responsible for the washing of all ambulances and support vehicles, interior and exterior. The Contractor shall be responsible for the cost of all licenses and permits for the ambulances.
2. **Supplies for Basic and Advanced Life Support Services.** The Contractor at its expense shall provide all supplies necessary and required to perform basic and advanced life support services under this Agreement.
3. **Other Equipment Provided by Contractor.** The Contractor shall provide such other equipment and facilities as are necessary to perform all of its obligations under, and to meet or exceed all performance criteria required of this Agreement. All costs of maintenance and repairs of such other equipment shall be the Contractor's sole responsibility and expense.
  - (a) **Stretchers.** Contractor shall provide one (1) stretcher for every ambulance.

**SECTION X. PERSONNEL PROVISIONS**

- A. Character and Competence of Personnel.** All persons employed by the Contractor in the performance of work under this Agreement shall be competent and holders of appropriate licenses and permits in their respective trades or professions. The Contractor shall discharge or reassign outside the Primary

Service Area any employee who repeatedly engages in acts of misconduct or is chronically incompetent or negligent in the due and proper performance of such employee's duties.

- B. Reasonable Work Schedules/Working Conditions/Compensation.** While this Agreement is a "performance contract," and while the Contractor is not only allowed but required to employ its own methods and techniques for producing the required performance reliably and efficiently, the Contractor is expressly required to utilize reasonable work schedules, shift assignments, working conditions, shift-length, specific workload management standards and real-time workload management practices. The primary issues are patient care and employee safety, and the Contractor shall employ policies which ensure that field personnel working extended shifts and overtime are not without rest to an extent that might impair judgment or motor skills.

The Contractor shall not utilize sub-standard compensation levels with its employees in order to deliver the economic efficiencies necessary to profitably manage this Agreement. While the Corporation in no way intends to limit the ingenuity of the Contractor in proposing compensation programs for its employees, Rockwall ESC expects the Contractor, throughout the term of this Agreement, to provide such levels of reasonable compensation and benefits as are necessary to attract and retain qualified personnel.

- C. Professional Conduct/Courteous Service.** Rockwall ESC expects and requires professional and courteous conduct at all times from the Contractor's ambulance personnel, Communications Center personnel, middle managers and top executives. The Contractor shall address and correct any occasional departure from this standard of conduct promptly upon becoming aware of same.

- D. Non-Discrimination.** The Contractor shall comply with all applicable provisions of federal, state and local laws and regulations that prohibit discrimination. Specifically, the Contractor shall:

1. not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, 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.
2. comply with Executive Order 11246, as amended, if applicable, and the rules, regulations and orders of the U.S. Secretary of Labor; and

3. be responsible for determining the applicability of and compliance with any federal or state regulations enacted pursuant to Executive Orders, federal legislation or amendments to legislation, and state legislation or amendments to legislation.
- E. **Licensing of Personnel.** It shall be the responsibility of the Contractor to ensure that all of its personnel's licenses are maintained and kept up to date as described herein. It is understood by the Contractor that none of its employees shall be allowed to operate or function in the Primary Service Area unless all necessary licenses are in full force. The Contractor shall take measures or employ personnel to monitor all licensed personnel to ensure no non-licensed person is operating inappropriately.
- F. **OSHA and Other Regulatory Requirements.** It is anticipated that during the term of this Agreement, certain regulatory requirements for occupational safety and health, including but not limited to infection control and blood borne pathogens, may be increased. The Contractor shall adopt procedures that meet or exceed all requirements for dealing with such current and future regulatory requirements. The Contractor shall be solely responsible for all costs relating to compliance with any new OSHA requirements imposed during this Agreement.
- G. **Drug Free Workplace.** In order to ensure a drug free workplace, Contractor shall make every effort to combat the actual use and potential use of employees using illegal drugs. Contractor shall test employees both "For Cause" and "Randomly." Contractor shall randomly and for cause test for drugs based on a written drug testing policy to be approved by the Corporation.
1. **For Cause.** A test is required when a reasonable suspicion exists, based upon observable facts, that an employee may be impaired
  2. **Random Drug Testing.** Twice annually and randomly, employees will be tested.
  3. **New Employment Testing.** All new employees whether full-time or part-time will be required to be drug tested before employment becomes official.

## SECTION XI. INSURANCE AND INDEMNIFICATION

- A. **Insurance.** At all times during the term of this Agreement, and throughout any extension periods, the Contractor shall obtain, maintain and pay all premiums for and furnish one or more certificates of insurance to the Corporation for insurance as specified below which provides coverage for the periods covered by this Agreement. All such policies shall name "County of Rockwall Emergency

Services Corporation", each Member Jurisdiction, and the Medical Director as "Additional Named Insured's."

Each such policy shall provide that the carrier thereunder shall give Rockwall ESC sixty (60) days advanced written notice of any cancellation, change (other than the addition of property to the coverage or deletion of insured property no longer used in the performance of this Agreement), termination, failure to renew, or any change in coverage of any such policy. Ten (10) days written advance notice shall be acceptable in the event of non-payment of insurance premiums.

All insurance shall be maintained with companies: (i) holding a "General Policyholder's Rating" of A:IX or better, as set forth in the most current issue of Best's Insurance Guide, or the successor rating to A:IX or comparable rating from a reputable rating organization, and (ii) financially responsible and licensed to do business in the State of Texas by the Texas Department of Insurance. The insurance certificate or certificates delivered to the Corporation shall list all coverage's, limits, deductibles, exclusions, expiration dates and terms of policies, all carriers issuing said policies, and all endorsements whether or not required by the Corporation. The Contractor shall furnish, at the Corporation's request, a certified copy of each policy, including endorsements. The insurance requirements shall remain in effect throughout the term of this Agreement.

- B. Insurance Requirements.** Insurance coverage provided by the Contractor shall meet the following minimum requirements: All of the following coverage must be obtained prior to the signing of this agreement and must begin immediately upon the effective date of this Agreement.
1. **Workers' Compensation.** Coverage meeting the statutory limits prescribed by the laws of the State of Texas subject to the following minimums: employer's liability - \$1,000,000 each accident and \$1,000,000 disease each person with a \$1,000,000 disease policy limit. This policy shall be endorsed to include a waiver of subrogation, or waiver of rights of recovery, in favor of all additional insured.
  2. **Comprehensive General Liability.** General liability insurance with the following coverage: \$2,000,000 each occurrence; \$2,000,000 aggregate limit.
  3. **Professional Liability Insurance.** Professional liability insurance with minimum coverage of no less than \$2,000,000 per each claim. If this insurance is purchased on a claims-made basis, the Contractor shall maintain such insurance coverage continuously during the term of this Agreement and for a period of not less than five (5) years after termination of this Agreement.

4. **Vehicle Insurance.** The Contractor shall obtain, maintain and pay all premiums for commercial vehicle liability insurance on the ambulances and other vehicles hereunder with no less coverage than \$2,000,000 each accident.

C. **Special Insurance Provisions.** No insurance policies required under this section above shall contain any exclusion for hazards commensurate with the services and operations provided by the Contractor under this Agreement. Deductibles or self-insurance limits shall not exceed \$250,000 per occurrence for any line of coverage, unless prior written approval is granted by the Corporation. The Contractor agrees that it will maintain adequate reserves for such deductible limits at all times during the term of this Agreement. Any form of alternative coverage or risk financing measures, such as risk treatment through insurance pools, risk retention groups, or self-insurance, shall be subject to prior approval and appropriate monitoring by the Corporation. In the event any local, state, federal or other regulatory laws or requirements mandate insurance coverage's for ambulance service providers in excess of the requirements specified herein, such higher requirements shall prevail over the requirements specified herein.

D. **Indemnification by Contractor.** The Contractor agrees to indemnify, defend and hold harmless Rockwall ESC, the Medical Director, and each Member Jurisdiction, and their respective directors, officers, representatives and employees (collectively, the "Indemnified Parties") from and against all losses, liabilities, damages, lawsuits, deficiencies, claims, demands, costs or expenses, including court costs, attorneys' fees and costs of investigation ("Losses"), based upon, incurred in connection with, arising out of or otherwise in respect of (i) any injuries to or death of any person or damage to or loss of any property caused or alleged to be caused, in whole or in part, by any act, omission or neglect of the Contractor or its partners, directors, officers, employees, agents or any parties contracting with the Contractor relating to the performance of its obligations under this Agreement, (ii) any material inaccuracy in or any breach of any representation or warranty of the Contractor contained in this Agreement, or (iii) any material breach of any covenant or agreement of the Contractor contained in this Agreement. The Contractor's obligations under this indemnity shall not be limited to the limits or coverage of insurance maintained or required to be maintained by the Contractor under this Agreement.

If any lawsuit, action or proceeding (a "Third-Party Action") is filed against an Indemnified Party entitled to the benefit of the indemnity herein, written notice thereof (the "Third-Party Action Notice") shall be given by such Indemnified Party to the Contractor as promptly as practicable; provided, however, the failure of any Indemnified Party to give notice timely hereunder shall not affect its right to indemnification hereunder, except to the extent that the Contractor demonstrates actual damage caused by such failure. After such notice, the Contractor shall be entitled, if it so elects, (i) to take control of the defense and investigation of such Third-Party Action, (ii) to employ attorneys reasonably satisfactory to the

Indemnified Parties to handle and defend the same, at the Contractor's sole expense, and (iii) to compromise or settle such Third-Party Action, which compromise or settlement shall be made only with the written consent of the Indemnified Parties, such consent not to be unreasonably withheld. If the Contractor fails to assume the defense of such Third-Party Action within ten (10) days after receipt of the Third-Party Action Notice, the Indemnified Parties (upon delivery of notice to such effect to the Contractor) will have the right to undertake, at the Contractor's sole expense, the defense, compromise or settlement of such Third-Party Action on behalf of and for the account and risk of the Contractor. The Contractor shall be liable for any settlement of any Third-Party Action affected pursuant to this paragraph and for any judgment and the Contractor agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

- E. **Employment of Member Jurisdiction Employees.** Any employee of a Member Jurisdiction who is also an employee of the Contractor shall be considered exclusively an employee of the Contractor for purposes of any worker's compensation, accidental injury/death, and/or retirement or disability benefits in the event of an injury to or death of such employee while engaged in the scope of the employee's employment with the Contractor.

## SECTION XII. MAJOR DEFAULT & TAKEOVER PROVISIONS

- A. **Performance Security.** Due to the importance of EMS to the communities served, the Corporation must do everything possible to eliminate the potential for a system failure. This agreement 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. The Corporation will utilize the following methods:
1. The Corporation will pre-qualify Contractors to ensure the ability of the Contractor to fulfill the obligations of this Agreement.
  2. The Contractor will agree to execute a standby lease agreement upon contract execution, which will assure the Corporation immediate access to any and all equipment and supplies and other assets that the Corporation determine are necessary for the continued operations of the system.
  3. The Contractor will deposit with the Corporation an annually renewable performance letter of credit, cash escrow account, performance bond or access to the Contractor's accounts receivables in a form acceptable to the Corporation. The amount of the performance letter of credit, cash escrow account, performance bond or accounts receivables pledge shall be three

hundred thousand dollars (\$300,000.00). The parties will agree that this is a reasonable amount for total liquidated damages in the event of Contractor's failure to perform, termination, or breach of contract.

**B. Major Default Defined.** Conditions and circumstances which shall constitute a Major Default by the Contractor, unless waived by Rockwall, ESC in writing, shall include, but not be limited to, the following:

1. Supplying to Rockwall ESC during or after the negotiation process false or intentionally misleading material information (which the Contractor knew to be false or misleading at the time such information was delivered to the Corporation), or information so incomplete as to effectively mislead;
2. Willful falsification of material data or information supplied to County the Corporation or the Medical Director during the course of operations, including by way of example but not by way of exclusion, dispatch data, patient report data, response time data, financial data, or willful downgrading of presumptive run code designations to enhance the Contractor's apparent performance, or creating Patient Transports in order to artificially inflate run volumes, or falsification or deliberate omission of any other data or information required under this Agreement, including submission of intentionally misleading information, or information so incomplete as to effectively mislead;
3. Failure of the Contractor to operate the ambulance service system in a manner which enables the Contractor to remain in substantial compliance with the requirements of applicable federal, state, and local laws, rules and regulations;
4. Deliberate and unauthorized scaling down of operations during a lame duck period to an extent that the Contractor materially fails to comply with the terms of this Agreement;
5. Chronic failure to maintain equipment and facilities in accordance with manufacturer recommended maintenance procedures (or reasonably equivalent maintenance procedures adopted by the Contractor) and with the enhanced maintenance practices appropriate to the emergency service responsibilities of a primary Contractor of emergency medical services;
6. Except as otherwise permitted by applicable law, willful attempts by the Contractor to intimidate or otherwise punish non-management employees who desire to interview with or to sign contingent employment agreements with competing bidders during a future competitive procurement cycle;

7. Chronic failure by the Contractor to correct employees who fail to conduct themselves in a professional and courteous manner, or to present a professional appearance;
8. Failure by the Contractor to reasonably cooperate with and assist the Corporation in its takeover of the Contractor's operations after a Major Default has been declared by Rockwall ESC, as provided for herein, even if it is later determined that such default never occurred or that the cause of such default was beyond the Contractor's reasonable control;
9. Failure (to the extent described in Sections IV(D)(3) and (4)) to meet or exceed the response time standards required hereunder;
10. Failure on the part of the Contractor to substantially fulfill the End-Term provisions of this Agreement as set forth herein, including but not limited to the requirement that the Contractor shall satisfy in all material respects its remaining financial obligations to its employees and suppliers upon the termination of this Agreement;
11. Chronic failure by the Contractor to timely and properly submit reports, data generated in the course of operations, and such other material information required by the terms of this Agreement;
12. Acceptance by the Contractor of, or the knowing failure by the Contractor to correct any of its employees who have accepted any bribe, illegal kickback or consideration of any kind in exchange for any consideration whatsoever, when such consideration or action on the part of the Contractor or its employees could be reasonably construed to violate federal, state or local law;
13. Payment by the Contractor of, or the knowing failure by the Contractor to correct or prevent (if possible) any of its employees who have paid, any bribe, illegal kickback or consideration of any kind to any federal, state or local public official or consultant in exchange for any consideration whatsoever, when such consideration or action on the part of the Contractor or its employees could be reasonably construed to violate federal, state or local law;
14. Failure to purchase and maintain in force insurance meeting the material requirements set forth in this Agreement;
15. Material failure by the Contractor to comply with the performance standards;
16. The assignment or attempted assignment of this Agreement by the Contractor except as permitted;

17. Failure on the part of the Contractor to ensure that all payments are made in full and on time to any and all vendors and other parties;
18. The Contractor (i) applying for or consenting to the appointment of a receiver, custodian, trustee, intervener or liquidator of itself or of all or a substantial part of its assets, (ii) voluntarily becoming the subject of a bankruptcy, reorganization or insolvency proceeding or be insolvent or admit in writing that it is unable to pay its debts as they become due, (iii) making a general assignment for the benefit of its creditors (iv) filing a petition or answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy or insolvency laws, (v) filing an answer admitting the material allegations of, or consent to, or default in answering, a petition filed against it in any bankruptcy, reorganization or insolvency proceeding, (vi) becoming the subject of an order for relief under any bankruptcy, reorganization or insolvency proceeding, or (vii) failing to pay any material money judgment against it before the expiration of thirty (30) days after such judgment becomes final and no longer subject to appeal;
19. Failure to maintain a performance letter of credit, cash escrow account, or access to the Contractor's accounts receivables in a form acceptable to the Corporation.
20. Any other material failure of performance or failure to comply with the material terms of this Agreement, clinical or otherwise, which is determined by Rockwall ESC to constitute a significant endangerment to public health and safety.

C. **Default Dangerous to Public Health and Safety.** In the event the Corporation determines that a Major Default has occurred, and if the nature of the default is, in the opinion of the Corporation, such that public health and safety are or will be imminently endangered, the Contractor shall cooperate completely and immediately with the Corporation to effect a prompt and orderly transfer of all responsibilities to the Corporation or its designated contractor. Such transfer of responsibilities shall be effective within 72 hours after such finding that a Major Default endangers public health and safety.

Further, the contractor expressly agrees that, in the event of Major Default by the contractor, the contractor will work with the Corporation 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 obligation to assure that the Corporation is able to provide uninterrupted service delivery in the event of default even if the contractor disagrees with the determination of default.

- D. **Default Not Dangerous To Public Health and Safety.** If Rockwall ESC declares the Contractor to be in Major Default on grounds other than performance deficiencies dangerous to public health and safety, the Corporation shall give the Contractor written notice describing with reasonable specificity the nature of the Major Default. Within five (5) days of its receipt of such notice, the Contractor shall deliver to the Corporation a written plan to cure such Major Default. The Contractor shall deliver to the Corporation a written update of its efforts to cure the Major Default every five (5) calendar days until such default is completely cured. If the Contractor fails to cure such noticed default within thirty (30) calendar days (or any longer period of time approved in writing by Rockwall ESC) after its receipt of notice of default (such failure to be determined in the reasonable discretion of Rockwall ESC), or if the Contractor fails to timely deliver its plan to cure such default or fails to timely update such plan, the Corporation may immediately terminate this Agreement and draw on the performance security as provided in Section XII hereof. If this Agreement is so terminated by the Corporation, the Contractor shall cooperate completely and immediately with the Corporation to effect a prompt and orderly transfer of all responsibilities to the Corporation or its designated contractor.
- E. **Dispute After Transfer of Service Responsibilities.** The Contractor shall not be prohibited from disputing any finding of Major Default pursuant to Section XII; provided, however, no action or proceeding initiated by the Contractor shall have the effect of delaying, in any way, the immediate transfer of service responsibilities to the Corporation or its designated contractor. Such dispute by the Contractor shall not delay the Corporation's access to the Contractor's performance security, essential equipment, and inventory of supplies as provided in Section IX. Any action or proceeding initiated by the Contractor challenging any actions taken by the Corporation may not be initiated until after the transfer of service responsibilities has been completed, and shall not, under any circumstances, delay the Corporation's access to the performance security funds. The Contractor's cooperation with, and full support of, such transfer of the Contractor's responsibilities to the Corporation, as well as the release of performance security funds to the Corporation, shall not constitute or be construed as acceptance by the Contractor of the finding of a Major Default, and shall not in any way jeopardize the Contractor's right to recovery should a proceeding later determine that the declaration of Major Default was made in error.
- F. **Incorporation of End-Term Provisions.** In the event of a Major Default by the Contractor and the termination of this Agreement by Rockwall ESC, the end-term provisions set forth in Section III shall apply.
- G. **Waiver.** No failure to exercise, and no delay in exercising, on the part of the Corporation, of any right or remedy granted to it hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right or remedy.

### SECTION XIII. REPORTS

- A. **Monthly Operations Reports.** On or before the fifteenth (15<sup>th</sup>) business day of each month, the Contractor shall furnish to the Corporation written operations reports in a format satisfactory to the Rockwall ESC, which shall summarize activities for the preceding month in the following categories:
1. First Responder Support, Training, and Continuing Education.
  2. Response Time Compliance Report. The Contractor shall provide to the Corporation, or designee an accounting of response time performance relative to every request for ambulance service resulting in Patient Contact and originating within the Primary Service Area, and any requests for which the Corporation, or designee must grant a response time exemption, as provided for herein. A separate Response Time Compliance Report shall be provided for each municipality in the Primary Service Area, for information purposes only.
  3. Billing and Accounts Receivables Report
- B. **State Reports.** The Contractor shall retain full responsibility for capturing and accurately reporting to the Corporation, or Designee all information within its areas of responsibility necessary to comply with State of Texas reporting requirements.
- C. **Annual Audit.** The Rockwall ESC may conduct an annual financial audit of any previous fiscal year, prepared by a certified public accountant of the Rockwall ESC's choosing. The Rockwall ESC will select the auditor and be responsible for the fee for said audit. The Contractor will cooperate fully in the completion of this audit and the audit shall reflect the financial information applicable to the performance of this Agreement as separate and apart from any other financial information.
- D. **Miscellaneous Reports.** The Contractor shall assist the Corporation, or its designee, in preparing any miscellaneous reports requested by the Medical Director, any Member Jurisdiction, or city, county, state or federal agencies, or as reasonably requested by the Corporation, or designee.

### SECTION XIV. REPRESENTATIONS AND WARRANTIES

To induce Rockwall ESC to enter into this Agreement, the Contractor represents and warrants to Rockwall ESC that:

- A. **Organization and Good Standing.** The Contractor is a corporation duly organized and validly existing in good standing under the laws of the State of Texas, is duly authorized to transact business as a corporation in Texas and is in good standing in Texas, and has the power and authority to own its properties and assets and to transact the business in which it is engaged.
- B. **Authorization and Power.** The Contractor has the power and requisite authority to execute, deliver and perform this Agreement; the Contractor is duly authorized to, and has taken all action necessary to authorize the Contractor to execute, deliver and perform this Agreement and is and will continue to be duly authorized to perform this Agreement.
- C. **No Conflicts or Consents.** Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein contemplated, nor compliance with the terms and provisions hereof, will contravene or materially conflict with any provisions of law, statute or regulation to which the Contractor is subject or any judgment, license, order or permit applicable to the Contractor, or any indenture, loan agreement, mortgage, deed of trust, or other agreement or instrument to which the Contractor is a party or by which the Contractor may be bound, or to which the Contractor may be subject, or violate any provision of the Charter or Bylaws of the Corporation. No consent, approval, authorization or order of any court or governmental authority or third party is required in connection with the execution and delivery by the Contractor of this Agreement or to consummate the transactions contemplated hereby.
- D. **Enforceable Obligations.** This Agreement is the legal, valid and binding obligation of the Contractor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors' rights.
- E. **Full Disclosure.** There is no material information or fact that the Contractor has not disclosed to Rockwall ESC which could have a material adverse affect on the Contractor's ability to perform its obligations and duties under this Agreement. Neither the proposal nor any written statement delivered by the Contractor to the Corporation in connection with the negotiations of this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary to keep the statements contained therein from being misleading.
- F. **Location of Records.** The Contractor shall maintain all operating records and books relating to the performance of its obligations under this Agreement at the following location: 809 South Goliad Street, Rockwall, Texas 75087 (or at any other address provided prior notice of such has been given to the Corporation. After a minimum of a seventy-two (72) hour notice, the Corporation may inspect Contractor operating records and books relating existing agreement. Inspection may only commence during normal business hours.

- G. **Compliance with Law.** The Contractor is in compliance with all laws, rules, regulations, orders and decrees, which are applicable to the Contractor and its operations under this Agreement.

## SECTION XV. ADMINISTRATIVE PROVISIONS

- A. **Non-Transferable Agreement.** This Agreement may not be assigned or transferred by the Contractor without the prior written consent of Rockwall ESC; provided, however, Rockwall ESC's consent shall not be required for any assignment to an entity wholly owned by the Contractor so long as such permitted assignee assumes in writing all of the Contractor's duties, obligations and liabilities under this Agreement. Any such permitted assignment shall not release the Contractor from any liability then existing or thereafter arising under this Agreement, including, without limitation, the Contractor's indemnification obligations hereunder. Any change in ownership of the Contractor that significantly affects control of the organization shall be considered a form of assignment of this Agreement, and must be approved by the Corporation. Provided, however, that the Corporation shall not unreasonably withhold its approval of such requested change in ownership so long as the new owners are of known financial and business integrity. Any assignment, as defined hereunder, without the Corporation's prior consent (other than an assignment permitted by the first sentence of this Paragraph A), shall be a Major Default under the terms of this Agreement and shall not convey any rights to the assignee. This Agreement may not be assigned by Rockwall ESC without the Contractor's prior written consent, such consent not to be unreasonably withheld.
- B. **Rights and Remedies Not Waived.** The Contractor agrees that the work herein specified shall be completed without further compensation than that provided for in this Agreement; and that the acceptance of work hereunder and the payment therefore shall not be held to prevent maintenance of an action for failure to perform such work in accordance with this Agreement. In no event shall any payment by the Corporation hereunder constitute or be construed to be a waiver by or estoppel of the Corporation of any default or covenant or any default which may then exist on the part of the Contractor, and the making of such payment while any such default exists, shall in no way impair or prejudice any right or remedy available to estoppels with respect to such default.
- C. **Severability.** In the event any provision hereof shall be declared invalid, such provision shall be deemed severable from the remaining provisions of this Agreement, which shall remain in full force and effect.
- D. **Titles.** The titles to the paragraphs of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation of this instrument.

- E. **Consent to Jurisdiction.** Subject to the dispute resolution provisions of Section XII, the Contractor consents to the exclusive jurisdiction of the courts of the State of Texas, Rockwall County, or a federal court in Texas in any and all actions and proceedings between the parties hereto arising out of or relating to this Agreement and irrevocably agrees to service of process by any means authorized under Texas law.
- F. **Costs of Enforcement.** If either estoppels or the Contractor institutes any proceeding against the other to enforce its rights pursuant to this Agreement, the actual and reasonable costs incurred by the prevailing party, including, but not limited to, reasonable and actual attorneys' fees, expenses, consultant and expert fees, or other costs incurred shall be paid by the non-prevailing party to the prevailing party, within ninety (90) days after receiving notice that such costs have been incurred and an itemized invoice with appropriate expense documentation.
- G. **Integration.** This Agreement (including any the Attachments hereto) constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior understandings with respect thereto. There are no agreements, understandings, warranties, or representations between the parties with respect to the subject matter hereof except as provided herein. This Agreement may not be modified, changed or supplemented, nor may any obligations hereunder be waived, except by written instrument signed by authorized representatives of both parties.
- H. **Omnibus Provision.** Until the expiration of four (4) years after the furnishing of any services pursuant to this Agreement, the parties shall make available, upon written request by the Secretary of the United States Department of Health and Human Services (or successor Agency), or upon written request by the United States Comptroller General, or any of their fully authorized representatives, this Agreement, and such books, documents, and records as are necessary to certify the nature and extent of the services rendered hereunder, and the reasonableness of the costs thereof, as paid by Rockwall ESC pursuant hereto.
- I. **No Third Party Beneficiaries.** This Agreement is between the parties hereto and no others. Neither this Agreement nor any rights hereunder shall inure to the benefit of any third person or entity. No person or entity other than the parties hereto shall be entitled to enforce the provisions of, or recover damages for the breach of, this Agreement, including, without limitation, breaches related to response time requirements.
- J. **Reimbursement for Expenses.** In the event the Contractor fails to perform an essential duty required under this Agreement, after notice by the Corporation and reasonable opportunity to correct such deficiency, the Corporation may perform such essential duty on the Contractor's behalf, in which case the Contractor shall reimburse the Corporation for any and all reasonable and necessary expenses,

interest, penalties, consulting fees, or other costs incurred by the Corporation in performing any essential duty of the Contractor required under this Contact within thirty (30) days after receipt of notice from the Corporation. The Corporation may not seek reimbursement of its expenses under this Paragraph J if the Corporation has drawn on the performance security under Section XII.

**K. Dispute Resolution.** Rockwall ESC and the Contractor agree that any and all claims, penalties, disputes and controversies arising out of or relating to the interpretation or enforcement of this Agreement or the operation of its terms (a "Dispute"), shall be subjected to mediation, as described herein. If the mediation proceeding is unsuccessful, either party may file a lawsuit subject to the provisions of this Paragraph K.

1. **Venue.** The parties bind themselves to mediate, and if the parties agree to arbitration, to arbitrate any Dispute in Rockwall, Rockwall County, Texas. Venue for any court action or proceeding relating to a Dispute shall be in the state or federal courts located in Rockwall County, Texas.
2. **Independent Nature of Mediator.** The mediator shall be independent of the parties and under no circumstance shall any mediator or arbitrator have any connection to or relationship with any of the parties, or their respective principals or employees.
3. **Mediation Proceeding.**
  - (1) If either party desires to mediate any Dispute, such party (the "Movant") shall notify the other party (the "Respondent") of the Dispute desired to be mediated, including a brief statement of the matter in controversy. If the parties are not able to resolve the Dispute within ten (10) days after the Movant notifies the Respondent of its desire to mediate ("Mediation Notice"), then, within five (5) days immediately after the expiration of the aforesaid ten (10) - day period, the parties shall agree upon an independent mediator. The parties agree that each party shall pay one-half (1/2) of the mediator's services.
  - (2) Within ten (10) days after selection of the mediator, the mediator shall call for and set a meeting among the parties and the mediator for the purpose of mediating the Dispute. If the parties are unable to resolve the Dispute within thirty (30) days after the Mediation Notice (the "Mediation Period"), the Dispute shall be decided by litigation.
4. **Jurisdiction.** The parties hereby submit to the in personam jurisdiction of the state and federal courts located in Rockwall County, Texas for the purpose of any litigation relating to a Dispute, and agree that any such

court may enter all such orders as may be necessary or appropriate to enforce the provisions hereof and/or to confirm any pre-arbitration ruling or decision or any award rendered by the arbitration panel. Any court of law of Texas or the United States of America shall enforce the decision of the panel of arbitrators (or single arbitrator, as applicable) in its entirety and only in its entirety.

- L. **Conflicts of Interest.** Each party shall certify to the other that it is not violating and will not violate, either directly or indirectly, any applicable statute or ordinance prohibiting conflicts of interest. To avoid potential conflicts of interests, no member of the Corporation's Board shall receive any compensation or remuneration, directly or indirectly, from the Contractor without prior written approval from the Corporation.
- M. **Relationship of the Parties.** Nothing in this Agreement shall be construed to create a relationship of employer and employee or principal and agent, partnership, joint venture, or any relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the provisions of this Agreement.
- N. **Notice of Litigation.** Each party shall notify the other within five (5) business days of either party first becoming aware of the filing of any litigation by or against such party or of any threatened or pending litigation, claim or other material adversarial action involving such party, which in any way, directly or indirectly, arises under or relates to this Agreement or the performance of either party's obligations hereunder. The Contractor shall also promptly notify the Corporation of any litigation, proceeding, or claim which could have a material adverse effect on the Contractor or its ability to perform its obligations under this Agreement.
- O. **Governing Law.** This agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- P. **Time of Essence.** Time is of the essence in connection with the performance of this Agreement.
- Q. **Entirety and Amendments.** This Agreement, the Attachments hereto, and the proposal (to the extent incorporated into this Agreement as provided in paragraph Q above) constitute the entire Agreement between the parties and supersede all prior agreements and understandings, including the Existing Agreement, relating to the subject matter of this Agreement. This Agreement may be amended or supplemented only by an instrument in writing executed by each party hereto.
- R. **Voluntary Termination of Agreement.** Notwithstanding any other provision of this Agreement, the Contractor may provide the Corporation with ninety (90) days

written notice to terminate this agreement for any reason, subject to approval of the Corporation. If the Corporation has not selected a suitable contractor replacement at the end of the ninety (90) day period, the Contractor must continue to provide service on a "per diem" basis beginning on the ninety-first (91st) day of the period until such time as a suitable replacement emergency medical services contractor is selected.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives, have executed this Agreement for Ambulance Services to be effective as of the (date) (the "Effective Date").

Oct. 1, 2007

MEDIC RESCUE, INCORPORATED

COUNTY OF ROCKWALL  
EMERGENCY SERVICES  
CORPORATION

By: [Signature]  
Tim Wolf, President

By: [Signature]  
Bruce Beaty, President

Date Signed: 8/30/07

Date Signed: 8-30-07

By: [Signature]  
Mitch Ownby, Vice President

Date Signed: 8-30-07

ACKNOWLEDGEMENTS

STATE OF TEXAS §  
COUNTY OF ROCKWALL §

BEFORE ME, a notary public in and for said County and State, on this <sup>8-30-07</sup> (date), personally appeared Bruce Beaty, President of the County of Rockwall Emergency Services Corporation ("Corporation"), and acknowledged to me that he voluntarily executed the above and foregoing document on behalf of the Corporation for the uses and purposes therein set forth.

WITNESS BY HAND AND SEAL the day and year last above written.

[Signature]  
Notary in and for the State of Texas

MY COMMISSION EXPIRES:

9-16-2008  
[SEAL]



STATE OF TEXAS §  
COUNTY OF ROCKWALL §

8-30-07

BEFORE ME, a notary public in and for said County and State, on this (date), personally appeared Tim Wolf, President of Medic Rescue, Incorporated (Medic Rescue), and acknowledged to me that he voluntarily executed the above and foregoing document on behalf of Medic Rescue for the uses and purposes therein set forth.

WITNESS BY HAND AND SEAL the day and year last above written.

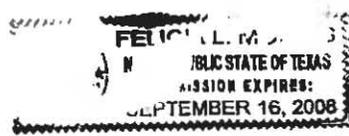
*Felicia L. Morris*

Notary in and for the State of Texas

MY COMMISSION EXPIRES:

9-16-08

[SEAL]



STATE OF TEXAS §  
COUNTY OF ROCKWALL §

8-30-07

BEFORE ME, a notary public in and for said County and State, on this (date), personally appeared Mitch Ownby, Vice President of Medic Rescue, Incorporated (Medic Rescue), and acknowledged to me that he voluntarily executed the above and foregoing document on behalf of Medic Rescue for the uses and purposes therein set forth.

WITNESS BY HAND AND SEAL the day and year last above written.

*Felicia L. Morris*

Notary in and for the State of Texas

MY COMMISSION EXPIRES:

9-16-08

[SEAL]



## SECTION XVI. ATTACHMENTS

## **Attachment #1**

The Contractor will provide monthly reporting to the Board in this required reporting format (example included):

1. First Responder Support, Training and Continuing Education
2. State Reporting
3. Internal Clinical Report
4. Billing Report
5. EMS Response Time Report – Last 12 months Summary
  - a. Urban Priority 1 Response Time
  - b. Urban Priority 2 Response Time
  - c. Rural Priority 1 Response Time
  - d. Rural Priority 2 Response Time
6. Response Time Compliance Report – Fractile
  - a. Priority 1 Urban
  - b. Priority 2 Urban
  - c. Priority 1 Rural
  - d. Priority 2 Rural
  - e. Late reporting explanation
7. Priority 1 Response Times by Individual Area – Information Only
  - a. Rockwall
  - b. Heath
  - c. Royse City
  - d. Rockwall County
  - e. Fate
  - f. McLendon-Chisolm
8. Variance Report – Use of Non paramedic personnel during Overload Status
9. Informational Report – Use of Supervisory Vehicle to stop response time clock

ATTACHMENT 2  
AMBULANCE FEE SCHEDULE

<i>Description</i>	<i>Charge</i>
ALS-1 Emergency	\$575.00
ALS-1 Non Emergency	\$575.00
ALS-2	\$690.00
SCT	\$862.50
Mileage/Per Mile Loaded	\$ 14.00
ALS Routine Disposable Supply	\$ 32.08

- I. Advanced Life Support, Level 1 (ALS1) – Advanced life support, level1, (ALS1) means transportation by ground ambulance, medically necessary supplies and services and an ALS assessment by ALS personnel or the provision of at least one ALS intervention.

Advanced life support assessment is an assessment performed by an ALS crew as part of an emergency response that was necessary because the patient’s reported condition at the time of dispatch was such that only an ALS crew was qualified to perform the assessment. An ALS assessment does not necessarily result in a determination that the patient requires as ALS level of service.

Advanced life support intervention means a procedure that is, in accordance with State and local laws, beyond the scope of authority of an emergency medical technician-basic (EMT-Basic).

Advanced life support personnel means an individual trained to the level of the emergency medical technician-intermediate (EMT-Intermediate) or paramedic. The EMT-Intermediate is defined as an individual who is qualified, in accordance with State and local laws, as an EMT-Basic and who is also qualified in accordance with State and local laws to perform essential advanced techniques and to administer a limited number of medications. The EMT-Paramedic is defined as possessing the qualifications of the EMT-Intermediate and also, in accordance with State and local laws, as having enhanced skills that include being able to administer additional interventions and medications.

- II. Advanced Life Support, Level 1 (ALS1) – Emergency – The Advanced Life Support, Level 1 – Emergency Response category is defined as the provision of ALS1 services as specified above, in the context of an emergency response.

Emergency response means responding immediately at the BLS or ALS1 level of service to a 911 call or the equivalent in areas without a 911 system. An immediate response is one in which the ambulance supplier begins as quickly as possible to take the steps necessary to respond to the call.

- III. Advanced Life Support, Level 2 (ALS2) – The Advanced Life Support, Level 2 category is:
- A. Three or more different administrations of medications by intravenous push/bolus or by continuous infusion excluding crystalloid, hypotonic, isotonic, and hypertonic solutions (Dextrose, Normal Saline, Ringer’s Lactate), or transportation. Medically necessary supplies and service, and
  - B. The provision of at least one of the following ALS procedures:
    - 1. Manual defibrillation/cardioversion
    - 2. Endotracheal intubation
    - 3. Central venous line
    - 4. Cardiac pacing
    - 5. Chest decompression
    - 6. Surgical airway
    - 7. Intraosseous line
- IV. Specialty Care Transport (SCT) – When medically necessary, for a critically injured or ill beneficiary, a level of inter-facility service provided by a ground ambulance vehicle, including medically necessary supplies, that is at a level of service beyond the scope of the EMT-paramedic, SCT is necessary when a beneficiary’s condition requires ongoing care that must be provided by one or more health professionals in an appropriate specialty area (for example, nursing, emergency medicine, respiratory care, cardiovascular care, or a paramedic with additional training).

**AMENDMENT 1  
TO CONTRACT FOR AMBULANCE SERVICES BETWEEN  
THE COUNTY OF ROCKWALL EMERGENCY SERVICES CORPORATION AND  
MEDIC RESCUE, INCORPORATED**

The following section of the Ambulance Services Agreement was modified by the County of Rockwall Emergency Services Corporation Board through action taken at its regular meeting on September 22, 2010. The section was changed to read as follows:

**Section III. (D.)(1.) Exercise/Pricing of Option**

**Subsidy requests, if any, for any earned extension year must be negotiated between the parties and agreed upon by the Rockwall ESC board prior to eighteen (18) months of the commencement of said extension year, pending agreement with Medic Rescue. Inc.**

The above noted change was made subject to Medic Rescue's agreement to said change. Expression of agreement to the change on the part of Medic Rescue is attached as "Exhibit A" to this amendment.

## Amendment 1, Exhibit A



809 South Goliad, Rockwall, Texas 75087, 972.772.4148

September 29, 2010

County of Rockwall Emergency Services Corporation  
C/O Commissioner Lorie Grinnan, President  
Rockwall Historic Courthouse  
101 East Rusk  
Rockwall, TX 75087

Commissioner Grinnan:

At the County of Rockwall Emergency Services Corporation meeting held on October 22, 2010, under a motion and a second, it was passed that the language in Section III.(D).(1.), entitled Exercise/Pricing of Option, of the Contract for Ambulance Services Between the County of Rockwall Emergency Services Corporation and Medic Rescue, Incorporated, entered into on October 1, 2007 (the "Contract"), be changed as follows:

"...Subsidy requests, if any, for any earned extension year must be negotiated between the parties and agreed upon by the Rockwall ESC board prior to eighteen (18) months of the commencement of said extension year, pending agreement with Medic Rescue, Inc."

The purpose of this letter is to inform you that Medic Rescue, Inc. is in agreement with the changes to Section III.(D).(1.) of the Contract as set forth above. Further, in accordance with the revised language of Section III.(D).(1.), Medic Rescue, Inc. will submit a subsidy request, to begin negotiations, no later than January 31, 2011.

We look forward to working with you and the Technical Sub-committee as we all strive to further improve Emergency Medical Services in Rockwall County. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Mitch Ownby". The signature is fluid and cursive.

Mitch Ownby, Vice President  
Medic Rescue, Inc.