

RESOLUTION NO. 14-090

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED "SECOND AMENDMENT TO CONTRACT" FOR AMBULANCE SERVICES BETWEEN THE CITY OF KEY WEST AND LIFESTAR RESPONSE OF ALABAMA, NOW KNOWN AS CARE/AMERICAN AMBULANCE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in Resolution No. 11-019, the City Commission approved an agreement for Ambulance Services with Lifestar Response, d/b/a Care Ambulance; and

WHEREAS, in Resolution No. 12-094, the City Commission approved a "First Amendment to Contract"; and

WHEREAS, City staff recommends an amendment to contract to extend the contract on a month-to-month basis, not to exceed twelve (12) months, upon negotiated terms specified in the attached "Second Amendment to Contract".

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the attached "Second Amendment to Contract" for Ambulance Services is hereby approved between the

City and Lifestar Response of Alabama, now known as Care/American Ambulance.

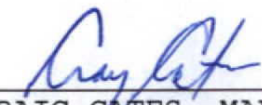
Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 18th day of March, 2014.


Authenticated by the Presiding Officer and Clerk of the Commission on 20th day of March, 2014.

Filed with the Clerk on March 20, 2014.

Mayor Craig Cates	<u>Yes</u>
Vice Mayor Mark Rossi	<u>Yes</u>
Commissioner Teri Johnston	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>
Commissioner Tony Yaniz	<u>No</u>

  
\_\_\_\_\_  
CRAIG CATES, MAYOR

ATTEST:

  
\_\_\_\_\_  
CHERYL SMITH, CITY CLERK

## SECOND AMENDMENT TO CONTRACT

This Second Amendment to Contract is entered into this 31 day of March, 2014, by and between the City of Key West, Florida, a municipal corporation (hereinafter the "CITY") and LifeStar Response of Alabama, d/b/a Care Ambulance (hereinafter "LIFESTAR").

### WITNESSETH

WHEREAS, CITY and LIFESTAR entered into a Contract on the 1<sup>st</sup> day of April, 2011, (the "Contract"), pertaining to the provision of ambulance service for the City of Key West, Florida; and

WHEREAS, the Contract expires on March 31, 2014; and

WHEREAS, CITY desires to provide ambulance and emergency services in-house; and

WHEREAS, CITY requires additional time beyond the expiration of the Contract within which to finalize the activities necessary to provide ambulance and emergency services within the city; and

WHEREAS, LIFESTAR has agreed to assist CITY with its transition to providing ambulance and emergency services in-house; and

WHEREAS, CITY and LIFESTAR desire to amend the Contract to provide for the continuation of ambulance services for a limited period of time beyond the said current expiration date of the Contract.

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Amendment, CITY and LIFESTAR agree to modify the Contract as follows:

RECITALS: That the above recitals are true and correct and made a part hereof;

**Section 1:** Paragraph (A) on page 14 of the Contract is hereby amended by the addition of the following provision:

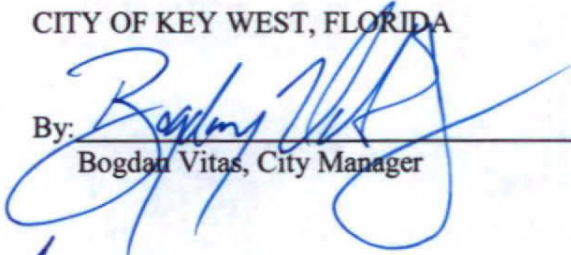
A. Subject to the exceptions contained herein below, for the period commencing on the 1<sup>st</sup> day of April, 2014, and ending on the 31<sup>st</sup> day of March, 2015 (hereinafter the "Extension Term"), CITY and LIFESTAR herein expressly agree that the term of the Contract shall be extended on a month-to-month basis under the same terms and conditions contained in the Contract and existing on the 31<sup>st</sup> day of March, 2014. During the Extension Term, the requirement for Electronic Patient Care Reporting contained in paragraph 4 on page 8 of the Contract will be waived. During the Extension Term, CITY will provide LIFESTAR an operating subsidy in the amount of \$45,000.00

per month. During the Extension Term, LIFESTAR shall, to the greatest extent possible, cooperate with and provide assistance and support to facilitate CITY's effort to provide ambulance and emergency services in-house. Either party may terminate the Extension Term effective 60 days from the delivery of written notice of same to the other party.

**Section 2:** Except as modified herein, the Contract shall remain in full force and effect.

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

CITY OF KEY WEST, FLORIDA


By:   
Bogdan Vitas, City Manager



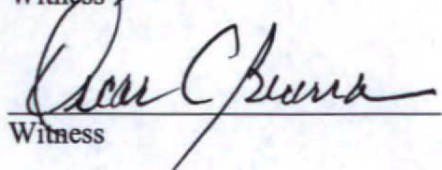
ATTEST

  
Cheryl Smith, City Clerk

LIFESTAR RESPONSE OF ALABAMA,  
d/b/a CARE AMBLANCE

By:   
Charles Haynes, Regional CEO

  
Witness

  
Witness



## **EXECUTIVE SUMMARY**

**DATE:** February 28, 2014  
**TO:** Bob Vitas, City Manager  
**FROM:** Michael Davila, Division Chief of Operations  
**SUBJECT:** Executive Summary – CARE Contract Extension

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### **PROJECT**

Lifestar Response of Alabama, d/b/a Care Ambulance is the Emergency Ambulance Service provider by contract from April 1, 2011 until March 31, 2014. This contract is based on the City of Key West's Request for Proposal 009-10 Emergency Ambulance Service, original and Addendums 1 thru 4, LifeStar Response Corporation Proposal (July 1, 2010). Since the contract start date of April 1, 2011 Lifestar Response Corporation has merged with American Ambulance and is now known as Care/American Ambulance. By contract the City and the Vendor can agree to extend the terms of the contract. City Manager Vitas has negotiated an extension with Care, American Ambulance to include the following terms;

- Care/American Ambulance will continue to provide uninterrupted 911 ambulance services beyond the current contract end date
- The contract extension shall be on a month to month basis not to exceed twelve (12) months in duration
- Notice of contract termination shall require sixty (60) day advanced written notice by either party to the contract
- The current EPCR requirement shall be waived during the duration of the contract extension period
- Care/American Ambulance will provide their full support to the City in order to transition to a Key West Fire EMS Department by a target date of October 1, 2014 in conjunction with the City's fiscal year
- Care/American Ambulance operations will remain in place as they currently exist and there will be no use of any City facilities, equipment or fuel
- An operating subsidy of \$45,000 per month shall be provided commencing April 2014 and paid by the 15<sup>th</sup> day of the following

month for only those months of service provided not to exceed \$540,000

- All other terms and conditions of the current contract not in conflict with the above shall remain in full effect during the contract extension period

**OPTIONS:** The City desires to provide ambulance service to the citizens and guests of Key West. The City contracted with TriData Systems to analyze the Key West EMS system and their report recommended a switch to a municipal fire department operated EMS instead of the private industry for profit provider. The Key West Fire Department requires some time to be prepared for this transition and extending the current vendor contract is required to facilitate this transition period.

**ADVANTAGES:** Care Key West has provided sufficient service for the duration of the contract. Care will provide full support for this transition which could prove essential as new City of Key West personnel, equipment and operations will be started.

**DISADVANTAGES:** The City has enjoyed a zero subsidy for the past 3 years and will now have to pay for the EMS service provided. Care Key West discontinued their use of Electronic Patient Care Reporting which was required by contract to provide effective care.

**FINANCIAL IMPACT:** The City will be required to pay the vendor \$45,000.00 per month for each month they are operating not to exceed \$540,000. A Budget Transfer has been developed to move \$270,000 from the 001-1900-519-98-03 General Fund Reserve Budget into the 001-1900-519-34-10 Ambulance Services Budget for fiscal year 2013-14.

**RECOMMENDATION:** Extend the contract with the terms listed above as agreed to by Care/American Ambulance on a month to month basis. Begin the transition objectives to provide EMS service using the Key West Fire Department as the new provider.

City of Key West  
**BUDGET TRANSFER**

Account No./Project No.	Current Budget Finance Use Only	Increase (Round up to nearest \$50)	Decrease (Round up to nearest \$50)	Revised Budget Finance Use Only
001-1900-519.34-10	0	270,000		270,000
001-1900-519.98-03	9,748,409		270,000	9,478,409
<b>TOTALS:</b>	9,748,409	270,000	270,000	9,748,409

**Justification:**

Move budget from Reserves to Other Contractual/Ambulance Service for remaining FY due to new contract

6 @ \$45,000/month

**Authorized Signatures**

Department Head: \_\_\_\_\_

Date: \_\_\_\_\_

Budget Analyst: \_\_\_\_\_

Date: \_\_\_\_\_

Finance Director: \_\_\_\_\_

Date: \_\_\_\_\_

(up to \$5,000 w/in category w/in fund)

City Manager: \_\_\_\_\_

Date: \_\_\_\_\_

(all w/in category w/in fund; all uses of CM contingency;  
up to \$20,000 among categories w/in fund)

City Commission Approval Required?    Yes \_\_\_\_\_    No \_\_\_\_\_

**Finance Use Only**

Total Items: \_\_\_\_\_  
Group No.: \_\_\_\_\_  
Acct. Balance Verified: \_\_\_\_\_

Entered by: \_\_\_\_\_  
Date: \_\_\_\_\_

RESOLUTION NO. 12-094

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED AMENDMENT TO CONTRACT FOR AMBULANCE SERVICES BETWEEN THE CITY OF KEY WEST AND LIFESTAR RESPONSE OF ALABAMA, d/b/a CARE AMBULANCE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in Resolution No. 11-019, the City Commission approved an agreement for Ambulance Services with Lifestar Response, d/b/a Care Ambulance; and

WHEREAS, the vendor has requested, and staff recommends a reduction in the amount of the performance bond required pursuant to the contract; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the attached First Amendment to Contract for Ambulance Services is hereby approved between the City and Lifestar Response of Alabama, d/b/a Care Ambulance.



Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.


Passed and adopted by the City Commission at a meeting held this 20 day of March, 2012.

Authenticated by the Presiding Officer and Clerk of the Commission on 21 day of March, 2012.

Filed with the Clerk on March 21, 2012.

  
\_\_\_\_\_  
CRAIG CATES, MAYOR

ATTEST

  
\_\_\_\_\_  
CHERYL SMITH, CITY CLERK

## FIRST AMENDMENT TO CONTRACT

This First Amendment to Contract for Ambulance Service is entered into this 21 day of March, 2012, between the City of Key West ("City") and Lifestar Response of Alabama d/b/a Care Ambulance ("Vendor").

### WITNESSETH

WHEREAS, the City and Lifestar entered into a Contract for Ambulance Service, approved by the City Commission in Resolution No., 11-019; and

WHEREAS, the parties desire to amend the Contract to reflect a reduction of the surety bond, as provided in section "J";

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Contract, CITY and VENDOR agree as follows:

**Section 1:** The above recitals are true and correct and are incorporated into the Contract and made a part hereof.

**Section 2:** That Paragraph "J" of the Contract is hereby amended in part to read as follows:

*J. Provisions for Curing Default and Emergency Take Over* – In the event the city manager determines that there has been a material breach by the vendor of the standards and performances as defined in this specification, which breach represents an immediate threat to public health and safety, such default shall constitute a default of the Agreement. In the event of a default, the City shall give the vendor written notice, delivered in-person to the vendors' local address, setting forth with reasonable specificity the nature of the default. Vendor shall have the right to cure such default within 5 calendar days of receipt of such notice and the reason such default endangers the public's health and safety. Within 24 hours of receipt of such notice, vendor shall deliver to City, in writing, a plan of action to cure such default. If the vendor fails to cure such default within the period allowed for cure (with such failure to be determined in the sole and absolute discretion of City) or vendor fails to timely deliver the cure plan to the City, City

may take over vendor's operations. Vendor shall cooperate completely and immediately with City to affect a prompt and orderly transfer of all responsibilities to City.

\*\*\*\*

The vendor shall post a surety bond of ~~\$1,000,000.00~~ \$500,000.00 that may be accessed by the City to cure any default caused by the vendor. The bond will be posted with a licensed surety bond agency as required by Florida Law. Upon declaration of default, the vendor shall not interfere or take legal action to prevent access to the bond.

**Section 3:** Except as modified herein, the Contract, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have made this First Amendment to Contract on the date first written above.

ATTEST:

Cheryl Smith  
Cheryl Smith, City Clerk  
Chairman

Date: 3-20-12

CITY OF KEY WEST

By: JK Scholl  
Jim Scholl, City Manager

Date: 20 MARCH 2012

ATTEST:

Dane Ewin  
Witness

Date: 03/22/12

LIFESTAR RESPONSE OF  
ALABAMA, d/b/a  
CARE AMBULANCE

By: Chuck Boone  
Print Name: Chuck Boone  
Title: CCO  
Date: 3/20/12 036



## CITY MANAGER'S OFFICE MEMORANDUM

**TO:** Jim Scholl, City Manager  
**FROM:** Mark Z. Finigan, Assistant City Manager  
**DATE:** March 6, 2012  
**SUBJECT:** LifeStar Response of Alabama d/b/a Care Ambulance  
Request for Performance Bond Reduction

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### **ACTION STATEMENT:**

Respectfully request City Commission approve the LifeStar Response of Alabama d/b/a Care Ambulance request to reduce the required performance bond amount from \$1,000,000 to \$500,000.

### **BACKGROUND:**

City Commission selected via Resolution 10-340 the LifeStar Response Corporation as the exclusive 911 emergency transport provider. A copy of the Agreement with LifeStar is attached. April 1, 2012 marks the one year date for the transition from AMR to LifeStar Response of Alabama d/b/a Care Ambulance as the City's exclusive 911 emergency transport provider. Provided for your review is a report submitted by LifeStar Response of Alabama d/b/a Care Ambulance summarizing their first year of operations. LifeStar's first year performance, ranging from the very objective and performance driven requirements of the Agreement to the feedback City Management has received from both the Fire Department leadership and the public in general, could be characterized as excellent.

With two (2) years remaining on a three year (3) agreement, LifeStar has requested a reduction from \$1,000,000 to \$500,000 in the amount of performance bond coverage they must carry for the balance of the agreement term. A copy of the request is attached. As you may recall, the requirement for a surety/performance bond was of major importance to the City Commission and the citizens of Key West. Working under an agreement for two plus decades which called for a sizeable subsidy, it became imperative (for good reason) the Commission protected itself from a new 911 transport provider who may have underestimated the challenges of the Key West market – both

financially and operationally. The surety/performance bond would be the legal instrument allowing the City to recover costs incurred to mobilize another provider as well as any other financial damages the City could demonstrate. Based on the last 12 months it appears that LifeStar did not underestimate the market and any financial relief gained by a performance bond reduction will only help to strengthen LifeStar's ability to provide a no subsidy 911 emergency transport service to the Key West community.

**RECOMMENDATION:**

Approve the LifeStar Response of Alabama d/b/a Care Ambulance request to reduce the required performance bond amount from \$1,000,000 to \$500,000.



February 24, 2012

Honorable Mayor Craig Cates &  
Honorable Members of the Key West City Commission  
3126 Flagler Avenue  
Key West, FL 33040

Re: Financial Bond for Emergency Medical Services for the City of Key West

Dear Honorable Mayor and Honorable City Commission Members,

I am pleased to be writing you as we approach the completion of our first year of service with the city of Key West. Care Ambulance has been fortunate to work with some talented staff members in our Key West Operation. The EMT's and Paramedics working in Key West are among some of the best providers we have and we could not be more pleased with the level of service they have been providing to the citizens of Key West. It is our hope you are equally pleased with the level of service you have received from our organization during our first year.

As the end of the first year comes up, we are approaching the time to renew our Financial Bond for the City of Key West. In our first year, Care Ambulance has met and exceeded both our operational and financial goals for the Key West Operation. It is our intention to continue to provide the high quality of service to the citizens of Key West. It is with this in mind that we are requesting approval for a reduction to the financial bond we currently maintain for the City of Key West. Our current financial bond is valued at \$1,000,000.00. Care Ambulance is requesting a reduction in the value of the bond to \$500,000.00. The reduction in this bond would assist us in lowering our costs for providing services in the city, but we also believe it would continue to provide a safety net to the city in the unlikely event that anything should occur that would require the city to replace Care Ambulance for a period of time. We would welcome the opportunity to discuss request with you to answer any questions you may have about this request or provide any documentation you may need to help make a decision on this request.

I look forward to speaking to the Honorable Members of the City Commission further on this request at your convenience.

Sincerely,

Charles Boone, NREMT-P  
Chief Compliance Officer  
LifeStar Response &  
Care Ambulance Service  
3710 Commerce Drive  
Suite 1006  
Baltimore, MD 21227  
(410)247-1178 ext 121

Cc: Jim Scholl, City Manager, City of Key West  
Mark Finigan, Assistant City Manager, City of Key West  
Danny Platt, President, LifeStar Response

Atlanta  
4745 Hue Howell Rd  
Tucker, GA 30084  
404-381-9607 (office)

Montgomery  
1150 Parsons St  
Montgomery, AL 36107  
334-252-2033 (Billing)  
334-252-1089 (Fax)  
334-252-2539 (I-RT Fax)  
334-252-2550 (Dispatch)

Phenix City  
625 9<sup>th</sup> Place  
Phenix City, AL 36867  
334-291-0039 (Office)  
334-298-9947 (Fax)  
334-298-1112 (Dispatch)

Columbus  
4422 Miller Rd  
Columbus, GA 31909  
334-448-3178 (Office)  
708-563-2121 (Dispatch)

Selma  
2905 Citizen's Plaz  
Selma, AL 36701  
334-875-1515 (Office)  
334-872-3125 (Fax)  
334-875-8111 (Dispatch)

Tuskegee  
807 E. Martin Luther King  
Tuskegee, AL 36083  
334-727-7222 (Office)  
334-724-9511 (Dispatch)

Dothan  
666 S. Oates St  
Dothan, AL 36301-2556  
334-671-2273 (Dispatch)  
334-702-7633 (Fax)  
334-705-7528 (Office)

Troy  
521 S. Three Notch St  
Troy, AL 36081  
334-596-8988 (Office)  
334-596-8995 (Fax)  
334-596-6604 (Dispatch)

Key West  
2780-2 North Roosevelt  
Key West, FL 33640  
305-386-7191 (Office)  
305-386-7997 (Fax)  
305-295-2559 (Dispatch)

Talahassee  
214 Barnett Blvd  
Tallahassee, AL 39078  
334-252-0008 (Office)  
334-252-0088 (Dispatch)