

## AGREEMENT FOR AMBULANCE SERVICES

THIS AGREEMENT, made this 1<sup>st</sup> day of May 202~~63~~, by and between the City of New Prague for its Ambulance service, (hereinafter "City"), and North Memorial Health Care, (hereinafter "NMHC");

WHEREAS, City is responsible for providing ambulance service in the New Prague area pursuant to licenses issued by the State of Minnesota and has been contracting with NMHC to provide ambulance services; and

WHEREAS, NMHC is a non-profit corporation organized under the laws of the State of Minnesota to provide hospital services and related health care services to patients;

WHEREAS, NMHC operates a division known as North Memorial Ambulance, which supplies ambulance services in areas of Minnesota and Wisconsin; and

WHEREAS, City has determined it is in the best interests of the public to contract with NMHC to deliver ambulance services to those within City service area; and

WHEREAS, a primary purpose of this agreement is to provide high quality ambulance service to the community while maintaining the option for the City to retain ownership of the ambulance license.

NOW, THEREFORE, upon adequate consideration, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

- 1) Operation of Ambulance Service. NMHC shall operate an ambulance service in the City of New Prague and the surrounding area as depicted on the attached Exhibit A incorporated herein by reference (hereinafter "Service Area") identified in license #0174 BLS and #2018 ALS (Part-Time Advanced) issued by the Emergency Medical Service Regulatory Board of the State of Minnesota (hereinafter "EMSRB") to the City.
  - a. Level of Service. NMHC shall provide Advanced and Basic Life support ambulance services within the Service Area consistent with the requirements of Minnesota Statutes, section 144E.101, subdivision 6 and as authorized by the current licenses and any applicable variances.
  - b. Staffing. At all times NMHC shall ensure that it is satisfying the requirements of the current license as set forth in Minnesota Statutes, section 144E.101, subdivision 8 and such other law as may apply. The general staffing plan is as follows:
    - i. Current staffing consists of two 24-hour Advanced Life Support Ambulance crews (One Paramedic & One EMT):
      1. The first crew will be at the located within the City Limits of New Prague available for immediate deployment 24 hours per day.
      2. The second crew will be located within the City Limits of New Prague for immediate deployment 12 hours per day and on an on-call basis to back up the primary unit 12-hours per day.These hours may be modified by NMHC based on demand for service and changes in state and/or federal economic support for these services.

- c. Employment of Staff. NMHC shall be solely responsible for employing ambulance staff and all such staff shall be employees of NMHC, not the City. All ambulance staff shall hold and maintain the licenses and certifications required by the EMSRB for the level of service they are providing. The City shall not in any way be responsible toward the ambulance staff or any other person employed by NMHC.
- 2) Ambulances and Equipment. The parties acknowledge that effective on the date of the Original Contract dated January 19, 2010, the City sold and transferred to NMHC its ambulances and the other City ambulance related equipment (collectively referred to as the "Equipment") as set forth in the Original Contract. In the event this Agreement is terminated, or NMHC ceases to operate the ambulance service in the Service Area for any reason, the City shall have the option, within sixty (60) days of the last date of which NMHC shall provide ambulance services, to purchase the remaining Equipment and any replacement equipment from NMHC for an amount equal to the fair market value amount for such Equipment. To determine the fair market value amount of the Equipment, the parties agree to have the remaining Equipment and any replacement equipment appraised. NMHC will work in good faith with the City to ensure the transition does not impede the delivery of ambulance service to the Service Area.
- 3) Sharing of Operational Information. NMHC shall provide the City with operational information on a quarterly basis. The report will include:
  - a. Average response time for emergency 911 requests and interfacility transfer response time
  - b. Number of calls per hour of day
  - c. Breakdown of disposition of calls
  - d. Patient destination report for both 911 and interfacility runs
  - e. Payer mix information
  - f. Breakdown of level of crew service (i.e. ALS vs BLS))
- 4) Dispatch. NMHC is responsible to provide associated Dispatch support services during the duration of the agreement. This includes providing pre-arrival instructions provided the Primary Service Answering Point in Scott County transfers callers to NMHC Dispatch.
- 5) Sharing of Financial Information. NMHC shall provide the parties to this contract with a profit and loss statement on a semi-annual basis. The statement shall include all revenues and direct expenses associated with the provision of services in the Service Area as well as an expense allocation of indirect expenses equal to 10% of the actual expenses.
- ~~6) Ambulance Advisory Committee. An Ambulance Advisory Committee has been created to review operational issues, review progress towards meeting the needs of the community and to make suggestions to optimize the effective delivery of services. This Committee shall meet at least once annually. Meeting frequency may be adjusted based on the recommendations of the Committee and as agreed to by the parties. The Advisory Committee shall be comprised of representatives appointed by the City and the NMHC Ambulance Outstate Director, Medical Director and Regional Ambulance Manager. Other stake holders may be engaged to address specific issues that may come up from time to time.~~

~~7)6)~~Term. The term of this Agreement shall commence on May 1, 202~~36~~, and continue ~~120~~~~36~~ months until April 30, 20~~26~~~~36~~. Any party may terminate this Agreement for any reason upon providing the other party three hundred sixty-five (365) days written notice of intent to terminate. In addition, if the City determines NMHC has breached this Agreement or is not otherwise providing a sufficient level of ambulance services, the City may provide NMHC written notice of its intent to terminate the Agreement in 90 days if the breach or other deficiencies are not corrected in that period. If the City determines NMHC has not cured the breach or corrected the deficiencies within the 90-day period, the Agreement shall be deemed terminated. Upon the termination of this Agreement, NMHC shall transfer operational responsibilities for the license and the Equipment, including any replacement equipment, to the City upon the City's request as provided in Section 2 of this Agreement and under such other terms and conditions as the parties may agree in writing at the time of the requested transfer.

~~8)7)~~License. The City and NMHC agree to take all reasonable steps necessary with the EMSRB to execute the necessary documents to transfer operational responsibilities for the licenses to NMHC. Upon termination of this Agreement for any reason, NMHC shall also, if requested by the City, execute a consent or other necessary documents to transfer operational responsibilities for the licenses back to the City or its nominee.

~~9)8)~~Radio Frequency. The City shall allow NMHC to continue to operate on the frequencies that are currently being utilized by the ambulance service, provided permission for such continued use is also granted by the Statewide Radio Board or the Regional Radio Board, as is appropriate.

~~10)9)~~Legal Compliance. NMHC shall abide by all federal, state and local laws, statutes, ordinances, rules, and regulations now in effect or hereinafter adopted pertaining to the services provided pursuant to the Agreement including, but not limited to, those related to the staff it employs to provide such services and for compliance with the Health Insurance Portability and Accountability Act as it may apply to the services provided hereunder. Any documents, data or other materials NMHC may possess that are subject to the Minnesota Government Data Practices Act as established in Minnesota Statutes, Chapter 13 shall be administered in accordance with the Act and shall not be released or used in a way that violates the Act. Pursuant to Minnesota Statutes, section 13C.05, subdivision 5, the books, records, documents and accounting procedures of NMHC relevant to the services provide under this Agreement are subject to examination by the City and either the legislative auditor or the state auditor, as appropriate, for a minimum of six years.

~~11)10)~~Assignment and Subcontracting. No interest in this Agreement shall be assigned to another without the express written consent of the parties and subject to such conditions and provisions as the City may deem necessary or desirable in its sole discretion. Furthermore, NMHC shall not enter into any subcontract for performance of any services contemplated under this Agreement.

~~12)11)~~Insurance. NMHC agrees to obtain, at its cost, and maintain during the entire term of this Agreement, an appropriate comprehensive general liability policy, medical malpractice insurance policy, and automobile liability insurance policy each with coverage amounts of not less than One Million Five Hundred Thousand Dollars (\$1,500,000) per occurrence and an annual aggregate of not less than Three Million Dollars (\$3,000,000) or provide evidence of policies consistent with those requirements. NMHC shall also obtain premises liability coverage for the lease premise

identified in Paragraph 5 of this Agreement naming the City as an additional insured in an amount no less than One Million Five Hundred Thousand Dollars (\$1,500,000). NMHC shall also maintain statutory workers' compensation for its employees including those providing ambulance services. NMHC shall be responsible for insuring against all damages from any casualty on all NMHC personal property which is stored pursuant to this Agreement. If the maximum municipal liability established by Minnesota Statutes, Section 466.04 is increased, then the amount of all liability coverages set forth herein shall be increased to such increased legal limit. NMHC shall provide the City with a certificate or certificates evidencing said insurances at least annually.

~~13)~~12) Indemnity. Each party agrees that it shall be responsible for its own legal liabilities arising from its own acts or omissions and agrees to defend, indemnify, and hold harmless the other parties to this Agreement from any obligations, claims, liabilities or related expenses (including reasonable attorneys' fees to defend a liability claim by a third party or to collect amounts owed under this Section) made against another party to this Agreement by a third party arising out of acts, or omissions of the first party. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the City is entitled under Minnesota Statutes, Chapter 466 or otherwise as provided under law. This Paragraph 13 shall survive termination of this Agreement and shall be binding on the City and NMHC regardless of the enforceability of any other provision of this Agreement.

~~14)~~13) Billing. The parties agree that NMHC shall issue invoices to patients and or their insurance companies for ambulance services and materials furnished in connection with services provided and shall collect accounts and monies owed with respect thereto. The City shall not be responsible for assisting in collecting or paying any portion of the amounts billed by NMHC.

~~15)~~14) Management. Day to day management of the ambulance services shall be coordinated through the management team of NMHC.

~~16)~~15) Personnel. NMHC shall be exclusively responsible for selection, hiring, placement, disciplining, discharging, scheduling and supervising of all medical personnel necessary including, but not limited to, a medical director for the rendering of patient care services related to the ambulance service and the conduct of service with the Service Area. The rate of pay and other benefits to be supplied by NMHC to its employees shall be determined exclusively by NMHC. Those employed by NMHC shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefits, or any incident of employment by the City, including but not limited to eligibility to enroll in Public Employees Retirement Association or coverage under the City's workers' compensation policy.

~~17)~~16) Independent Contractor Status. Whether NMHC is a corporation, limited liability company, partnership, or other legal entity, NMHC shall be deemed an independent contractor. NMHC's duties will be performed with the understanding that NMHC has special expertise as to the services which NMHC is to perform and is customarily engaged in the independent performance of the same or similar services for others. The manner in which the services are performed by NMHC shall be consistent with the standard of care for the providing of such services under the applicable licenses set forth in this Agreement. NMHC is not to be deemed an employee or agent of the City and has no authority to make any binding commitments or obligations on behalf of City except to the extent expressly provided herein. All services provided by NMHC pursuant to this Agreement shall be provided by NMHC as an independent contractor

and not as an employee of the City for any purpose, including but not limited to: income tax withholding, workers' compensation, unemployment compensation, FICA taxes, liability for torts and eligibility for employee benefits.

~~18~~<sup>17</sup>) No Third-Party Beneficiary Rights. This Agreement is entered into for the sole benefit of the City and NMHC, and no other parties are intended to be direct or incidental beneficiaries of this Agreement, and no third party shall have any right in, under, or to this Agreement.

~~19~~<sup>18</sup>) Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

~~20~~<sup>19</sup>) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

~~21~~<sup>20</sup>) Waiver. The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance.

~~22~~<sup>21</sup>) No Modifications. This Agreement represents the entire agreement between the parties and any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when they have reduced to writing, agreed to, and signed by the parties.

~~23~~<sup>22</sup>) Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

~~24~~<sup>23</sup>) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.

~~25~~<sup>24</sup>) Governing Law. This Agreement shall be governed by and construed under the laws of the State of Minnesota without giving effect to that body of laws pertaining to conflict of laws.

~~26~~<sup>25</sup>) No Joint Venture or Partnership. In no event shall the relationship among the parties or the transactions contemplated hereunder constitute a partnership or joint venture among them with respect to the subject matter hereof, and no party shall owe another party any fiduciary duty or obligation hereunder.

~~27~~<sup>26</sup>) Assumed Liabilities. NMHC accepts no liability from or assert any claim against any ambulance operations arising before May 1, 2010, when the City was the operator of the Ambulance Service.

[Signatures Begin on the Next Page]

Signature Page

City of New Prague

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

~~Duane J. Jirik~~ Charles L. Nickolay

Its: Mayor

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

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

Joshua M. Tetzlaff

Its: City Administrator

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

North Memorial Health Care

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

Its:

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

# EXHIBIT A Ambulance Service Area

