



CITY COUNCIL AGENDA

NOTICE OF REGULAR MEETING

Tuesday, August 19, 2014
7:00 p.m.
City Hall - Council Chamber
Daniel P. Moore Community Center Complex
1900 Billy G. Webb Drive
Portland, Texas

A. PROCEDURAL MATTERS, HONORS AND RELATED NON-ACTION ITEMS:

1. **CALL TO ORDER:** MAYOR PRO TEM SKUROW
2. **INVOCATION AND PLEDGE:** MAYOR PRO TEM SKUROW OR DESIGNEE
3. **FORMAL ANNOUNCEMENTS, RECOGNITION, PRESENTATIONS AND REPORTS THAT MAY BE DISCUSSED:**
 - CODE ENFORCEMENT PRESENTATION – CODE ENFORCEMENT OFFICER
4. **CITY COUNCIL AND STAFF COMMENTS CONCERNING ITEMS OF COMMUNITY INTEREST THAT MAY NOT BE DISCUSSED:**

Members of the City Council may present reports regarding items of community interest and/or be presented reports from the Staff regarding items of community interest, provided no action is taken or discussed. Items of community interest include the following:

- Expressions of thanks, congratulations, or condolence
- Information regarding holiday schedules
- Honorary recognition of city officials, employees, or other citizens
- Reminders about upcoming events sponsored by the city or another entity that is scheduled to be attended by a city official or city employee

- Announcements involving imminent threats to the public health and safety of the city

B. ACTION ITEMS, RESOLUTIONS AND ORDINANCES:

Members of the audience who wish to (1) comment on issues concerning an agenda item, (2) present questions concerning an agenda item, (3) request assistance concerning an agenda item or (4) propose regulatory changes concerning an agenda item, must comply with the following rules of procedure:

- Persons who wish to speak must fill out and turn in a speaker card before the meeting is convened (The Mayor will notify you when it's your turn to speak and direct you to the podium)
- Persons who wish to speak must identify themselves and their places of residence
- All comments, requests and proposals must be presented to or through the Mayor
- Persons who wish to speak will be given 4 minutes to do so

5. **MINUTES OF PREVIOUS MEETINGS:** THE CITY COUNCIL WILL CONSIDER THE MINUTES OF ITS AUGUST 5, 2014 WORKSHOP AND REGULAR MEETING AND AUGUST 14, 2014 SPECIAL MEETING - MAYOR PRO TEM SKUROW AND CITY SECRETARY

6. **PUBLIC HEARING ON PROPOSED TAX INCREASE:** THE CITY COUNCIL WILL CONDUCT A PUBLIC HEARING TO SOLICIT COMMENTS FROM CITIZENS AND OTHER INTERESTED PARTIES CONCERNING A PROPOSED INCREASE OF TOTAL TAX REVENUES

THE TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9.08 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$50.00.

7. **CONTRACT FOR EMERGENCY MEDICAL SERVICES:** THE CITY COUNCIL WILL CONSIDER A CONTRACT FOR EMERGENCY MEDICAL SERVICES WITH ALLEGIANCE AMBULANCE – CITY MANAGER

8. **SETTLEMENT AGREEMENT:** THE CITY COUNCIL WILL CONSIDER, APPROVE OR DISAPPROVE A SETTLEMENT AGREEMENT IN LAWSUIT STYLED "TEAL CONSTRUCTION VS. CITY OF PORTLAND" – CITY MANAGER

C. CITIZEN COMMENTS, QUESTIONS, REQUESTS AND PROPOSALS NOT APPEARING ON THE AGENDA:

Members of the audience who wish to (1) comment on issues for which there is no item on this agenda, (2) present questions for which there is no item on this agenda, (3) request assistance for which there is no item on this agenda or (4) propose regulatory changes for which there is no item on this agenda, must comply with the following rules of procedure:

- Persons who wish to speak must fill out and turn in a speaker card before the meeting is convened (The Mayor will notify you when it's your turn to speak and direct you to the podium)
- Persons who wish to speak must identify themselves and their places of residence
- All comments, requests and proposals must be presented to or through the Mayor
- Persons who wish to speak will only be given 4 minutes to do so

Neither the City Council nor the Staff is legally permitted to respond to citizen comments, questions, requests or proposals at the time of the meeting. A member of the City Council or the City Manager may place an item on the agenda of a future City Council workshop or meeting to legally do so. If that is done, the audience member seeking a response will be given advance notice.

D. ADJOURNMENT: MAYOR KREBS

NOTICE OF ASSISTANCE

If you plan to attend this public meeting and you have a disability that requires special arrangements to be made, please contact City Secretary Annette Hall (361) 777-4513 or annette.hall@portlandtx.com in advance of the meeting. Reasonable accommodations will be made to facilitate your participation. The City Hall is wheelchair accessible and specially marked parking spaces are located in front of its entrance. Special seating will be provided in the Council Chamber during the meeting.

BRAILLE IS NOT AVAILABLE

Posted: August 15, 2014 by 5:00 p.m.
Portland City Hall

By: 
Annette Hall
City Secretary

**CITY OF PORTLAND
CITY COUNCIL
WORKSHOP MEETING
AUGUST 5, 2014 – 6:30 P.M.**

On this the 5th day of August 2014, the Council of the City of Portland convened in a workshop meeting session at 6:30 p.m. in the Council Chambers of City Hall, Daniel P. Moore Community Center Complex and notice of workshop meeting giving the time, place and date and subject having been posted as described by Section 551 of the Government Code.

MEMBERS PRESENT:

David Krebs	Mayor
Cathy Skurow	Mayor Pro Tem
Ron Jorgensen	Council Member
John Vilo	Council Member
Gary Moore, Sr.	Council Member
David E. Lewis	Council Member

MEMBERS ABSENT:

John Green	Council Member
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STAFF PRESENT:

Randy Wright	City Manager
Brian DeLatte	Assistant City Manger
Annette Hall	City Secretary
Michel Sorrell	Director of Finance
Tim Vanlandingham	Fire Chief
Hal George	City Attorney

This workshop may be recessed before the Regular City Council meeting begins at 7:00 p.m. and reconvened after the Regular City Council meeting ends.

And with a quorum being present, the following business was transacted:

- 1. CALL TO ORDER: MAYOR KREBS**

Mayor Krebs called the workshop to order at 6:30 p.m.

2. **EXECUTIVE SESSION:** THE CITY COUNCIL WILL CONDUCT AN EXECUTIVE SESSION ACCORDING TO §551.071 (DISCUSSION OF PENDING OR CONTEMPLATED LITIGATION WITH ATTORNEYS: “TEAL CONSTRUCTION VS. CITY OF PORTLAND”) OF THE TEXAS GOVERNMENT CODE - MAYOR AND CITY MANAGER

NO FORMAL ACTION WILL BE TAKEN AT THE CONCLUSION OF THE EXECUTIVE SESSION

At 6:01 p.m. Mayor Krebs announced that the City Council will conduct an Executive Session according to §551.087 (discussion of Pending or Contemplated Litigation with Attorneys: “Teal Construction vs. City of Portland”) of the Texas Government Code.

No formal action will be taken at the conclusion of the Executive Session.

Mayor Krebs announced that the Executive Session was concluded at 6:51 p.m. and reconvened the workshop at 6:53 p.m.

3. **ADJOURNMENT:** MAYOR KREBS

Mayor Krebs adjourned the workshop at 6:53 p.m.

NOTICE OF ASSISTANCE:

If you plan to attend this workshop and you have a disability that requires special arrangements to be made, please contact City Secretary Annette Hall (361-777-4513 or annette.hall@portlandtx.com) in advance of the meeting. Reasonable accommodations will be made to facilitate your participation. The City Hall is wheelchair accessible and specially marked parking spaces are located in front of its entrance. Special seating will be provided in the Council Chamber during the workshop.

BRAILLE IS NOT AVAILABLE

Approved:

David Krebs
Mayor

Attest:

City Secretary

**CITY OF PORTLAND
CITY COUNCIL
REGULAR MEETING
AUGUST 5, 2014 – 7:00 P.M.**

On this the 5th day of August 2014, the Council of the City of Portland convened in a regular meeting session at 7:00 p.m. in the Council Chambers of City Hall, Daniel P. Moore Community Center Complex and notice of regular meeting giving the time, place and date and subject having been posted as described by Section 551 of the Government Code.

MEMBERS PRESENT:

David Krebs	Mayor
Cathy Skurow	Mayor Pro Tem
Ron Jorgensen	Council Member
John Vilo	Council Member
Gary Moore, Sr.	Council Member
David Lewis	Council Member

MEMBERS ABSENT:

John Green	Council Member
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STAFF PRESENT:

Randy Wright	City Manager
Brian DeLatte	Assistant City Manager
Annette Hall	City Secretary
Michel Sorrell	Finance Director
Kristin Connor	Director of Parks and Recreation
Tim Vanlandingham	Fire Chief
Dorothy Torres	Interim Library Director
Brandon Lemon	Accounting Assistant
Fred Bussman	IT Technician

And with a quorum being present, the following business was transacted:

A. PROCEDURAL MATTERS, HONORS, AND RELATED NON-ACTION ITEMS:

1. CALL TO ORDER: MAYOR

Mayor Krebs called the meeting to order at 7:00 pm.

2. **INVOCATION AND PLEDGE:** MAYOR OR DESIGNEE

Council Member Vilo gave the invocation and Mayor Krebs led the Pledge of Allegiance.

3. **FORMAL ANNOUNCEMENTS, RECOGNITION, PRESENTATIONS, AND REPORTS THAT MAY BE DISCUSSED:**

- PRESENTATION OF BUDGET AND AD VALOREM TAX RATE – CITY MANAGER

City Manager, Randy Wright reported that the Charter require the City Manager submit a budget by August 15 of each year. The City Council conducted a workshop on July 29th which included in depth discussions of the overall budget including a proposed ad valorem tax increase. The FY 2014-15 budget encompasses 7 funds consisting of approximately \$22,417,835 in expenditures and \$21,355,585 in revenues, which combined with fund balance drawdowns of approximately \$2,000,000, increased ad valorem revenues and other collections results in a balanced budget.

The effective tax rate, is the tax rate that, if adopted would generate the same amount of revenue as that was generated last year (0.55063¢ per \$100 of property valuation). The proposed ad valorem tax rate is approximately 0.60063¢. The average home in Portland Is valued at \$156,498. For the average home, their yearly tax bill for the coming year would increase by \$78.25.

A proposed tax rate increase require 2 (two) public hearings and 2 (two) reading of the ordinance adopting the 2014-15 budget and ad valorem tax rate.

- QUARTERLY FINANCIAL UPDATE – DIRECTOR OF FINANCE

Director of Finance, Michel Sorrell presented the 3rd Quarter Financial Report ending June 30, 2014 that included the following:

- Budgeted Funds – High Level View
- Special Interest Revenues – Various Funds
- Sales Tax Revenues – General Fund (FY 2010-2014)
- Sales Tax Data From 2010-2014
- Financial Update Highlights

She then presented the 3rd Quarterly Investment Report ending June 30, 2014 that included the following:

- Investments by Fund & Type
- Portfolio Distribution – June 30, 2014
- Portfolio Performance Analysis – June 30, 2014
- Portfolio Performance Wrap-up

4. CITY COUNCIL AND STAFF COMMENTS CONCERNING ITEMS OF COMMUNITY INTEREST THAT MAY NOT BE DISCUSSED:

Members of the City Council may present reports regarding “items of community interest” and/or be presented reports from the Staff regarding “items of community interest,” provided no action is taken or discussed. “Items of community interest” include the following:

- Expressions of thanks, congratulations, or condolence
- Information regarding holiday schedules
- Honorary recognition of city officials, employees, or other citizens
- Reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by a city official or city employee
- Announcements involving imminent threats to the public health and safety of the city

There were none.

B. ACTION ITEMS, RESOLUTIONS, AND ORDINANCES:

Members of the audience who wish to (1) comment on issues concerning an agenda item, (2) present questions concerning an agenda item, (3) request assistance concerning an agenda item or (4) propose regulatory changes concerning an agenda item, must comply with the following rules of procedure:

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- Persons who wish to speak must identify themselves and their places of residence
- All comments, requests and proposals must be presented to or through the Mayor
- Persons who wish to speak will be given 4 minutes to do so

There were none.

5. MINUTES OF PREVIOUS MEETINGS: THE CITY COUNCIL WILL CONSIDER THE MINUTES OF ITS JULY 15, 2014 WORKSHOP AND REGULAR MEETING AND JULY 29, 2014 WORKSHOP - MAYOR KREBS AND CITY SECRETARY

Council Member Vilo made the motion to approve the minutes of the July 15, 2014 Workshop and regular meeting and July 29, 2014 workshop, seconded by Council

Member Lewis.

The motion passed 6-0.

6. BIDS FOR STREET IMPROVEMENT PROGRAM PHASE 9B (SEAL COATS AND REPAIRS):
THE CITY COUNCIL WILL CONSIDER BIDS FOR THE STREET IMPROVEMENT PROGRAM PHASE 9B (SEAL COATS AND REPAIRS) THAT WERE RECEIVED, OPENED, AND PUBLICLY READ ON JULY 17, 2014 – ASSISTANT CITY MANAGER

Assistant City Manager, Brian DeLatta explained that Bids were received, opened, and publicly read for the Street Improvement Program Phase 9B (Seal Coats and Repairs) on July 17, 2014. Two bids were received, with the low bid of \$674,971.50 from Haas-Anderson Construction, Ltd. (HAC). HAC's bid is approximately \$200,000 under the construction budget.

This project consist of seal coat work to repair potholes and badly damaged curbs on 24 streets. The seal coats on the streets will utilize a two-course surface treatment designed by CRG, Fugro, and Pete Stricker, P.E. This engineering team prepared the Comprehensive Street, Parking Lot, Sidewalk, and Trail Study and identified which streets and repair methods would be used. Only badly damaged curbs that cause significant drainage or safety hazards are included for repair in this project.

It is anticipated that construction will begin on August 18, 2014. The contract allots 75 days for construction. Information will be disseminated to affected residents in several ways, including the publication of an article in *The Breeze*, information posted on the City website, and door hangers to be distributed several days prior to construction on a street. HAC's bid is within the project's budget and award of contract is recommended in the amount of \$674,671.60.

Mr. DeLatta added that Donne Rehmet of CRG and Pete Stricker were present to answer any questions.

Council and Staff discussed the scope and design of the project.

Mayor Pro Tem Skurow made the motion to approve the bid from Haas-Anderson Construction, Ltd, for the Street Improvement Program Phase 9B (Seal Coats and Repairs) in the amount of \$674,971.60 and authorize the City Manager to execute all necessary contract documents, seconded by Council Member Moore.

The motion passed 6-0.

7. BIDS FOR WATER AND WASTEWATER SYSTEM SCADA INSTALLATION: THE CITY COUNCIL WILL CONSIDER BIDS FOR THE WATER AND WASTEWATER SYSTEM SCADA

INSTALLATION THAT WERE RECEIVED, OPENED, AND PUBLICLY READ ON JULY 24, 2014 – ASSISTANT CITY MANAGER

Assistant City Manager, Brian DeLatte explained the City's water and wastewater systems' Supervisory Control and Data Acquisition (SCADA) system has become obsolete and is not performing at an acceptable level. As a result CRG designed and prepared bids that were received, opened, and publicly read for the City-wide Water and Wastewater SCADA installation on July 17, 2014. Two bids were received, with the low bid of \$444,033.00 from TraC-n-trol, Inc. (TNT). The bid is 10% under the project's budget and is funded through 2009 Bonds. The contract allots 75 days for construction

CRG has reviewed TNT's qualifications and experience record and recommends awarding the contract to TNT in the amount of \$444,033.00 and authorize the City Manager to execute all necessary documents.

Installing a new SCADA system is critical in maintaining control of the water and wastewater systems and in complying with TCEQ permits and regulations.

The new SCADA components will allow City personnel to monitor and control all water facilities. Pump stations can be controlled locally, automatically, or remotely. Pressure sensors will be installed in various locations throughout the City to monitor fluctuations in water pressure. Monitoring equipment will send notifications to personnel with any abnormalities, as well as undertake appropriate actions, such as switching to backup power automatically in the event of a power loss. These features are not available in the existing system and will allow greater redundancy in operations.

The new SCADA components will be extended throughout the wastewater system, including to 14 lift stations and the wastewater treatment plant. The system will monitor flows through upstream lift stations in the event of incidents downstream to reduce the likelihood of overflows. The proposed equipment at the wastewater treatment plant will allow the plant's critical processes to be managed from off-site in the event of an emergency.

Council, Staff and Donnie Rehmet of CRG discussed the scope of the project and TraC-n-Trol, Inc.'s, qualifications.

Council Member Lewis made the motion to approve the bid from TraC-n-trol, Inc., for the City-wide Water and Wastewater SCADA installation in the amount of \$444,033.00 and authorize the City Manager to execute all necessary contract documents, seconded Mayor Pro Tem Skurow.

The motion passed 6-0.

8. CONSIGNMENT OF HOTEL OCCUPANCY TAX (HOT) FUNDS: THE CITY COUNCIL WILL CONSIDER THE CONSIGNMENT OF HOT FUNDS TO THE PORTLAND CHAMBER OF COMMERCE FOR THE PROMOTION OF TOURISM AND THE CONVENTION AND HOTEL INDUSTRY – CITY MANAGER

City Manager, Randy Wright explained that Section 351.101 of the Texas Tax Code requires that a percentage of Hotel Occupancy Taxes (HOT) collected by the City be used for advertising and promoting of tourism and the convention and the hotel industry. The Chamber of Commerce has requested funding to assist in carrying out that function.

The Chamber of Commerce has requested the City consider consigning \$10,000 per year for use in carrying out those functions. As a non-profit organization, they are in a good position to promote the interests of Portland and have demonstrated their abilities to do so with a stable governing board, a professional staff, and defined goals and objectives. Tax is collected from hotels for the use of specific purposes guided by the tax code. The City will continue to use funds to pay for billboards and

If approved, staff will negotiate an agreement with the chamber to ensure that funds are expended consistent with state statute and that funds are properly accounted for and regularly reported to the city so that the city may continue to comply with its duty to protect all tax proceeds.

Council and Staff discussed the defined purposes for use of hand report quarterly to the City Council.

Council Member Moore made the motion to authorize the City Manager to execute an agreement with the Chamber of Commerce for the consignment of \$10,000 per year in Hotel Occupancy Tax Funds for use in the promotion of tourism and the convention and hotel industry, seconded by Council Member Jorgensen.

The motion passed 6-0.

9. SETTING DATES FOR PUBLIC HEARINGS: THE CITY COUNCIL WILL CONSIDER SETTING DATES FOR PUBLIC HEARINGS ON THE PROPOSED TAX INCREASE - DIRECTOR OF FINANCE

Director of Finance, Michel Sorrell explained that in accordance with Truth-in-Taxation laws, the City is required to hold two public hearings on the proposed ad valorem tax rate if it exceeds the lower of the effective tax rate or the rollback rate. The dates, location and times of these hearings must be published at least seven days before the first hearing.

The Proposed FY 2014-2015 Budget is predicated on the proposed tax rate as follows:

	<u>2014 Effective</u> <u>Tax Rate (ETR)</u>	<u>2014 Proposed</u> <u>Tax Rate</u>	<u>2013 Tax Rate</u> <u>(Current Year)</u>
General Fund (M&O Rate)	\$0.375827	\$0.425827	\$0.440586
Debt Service (I&S Rate)	<u>0.174803</u>	<u>0.174803</u>	<u>0.132170</u>
Total Ad Valorem Tax Rate	\$0.550630	\$0.600630	\$0.572756
	per \$100 valuation	per \$100 valuation	per \$100 valuation

The proposed tax rate will generate approximately \$422,544 in additional tax revenue. The Debt Service (I&S) portion has increased by \$0.043, or 32.25%, due to the 2014 Series Street Bond Issue in the amount of \$5,000,000. This bond issue is for the Street Improvement Project Phase 9A & 9B. The debt service portion of the ad valorem tax rate, and resulting levy, are used to satisfy the debt service payments.

The Proposed FY 2014-2015 Budget is predicated on the proposed tax rate. The Proposed Budget is a financial tool used to guide the City through the fiscal year. The Proposed Budget contains requested new full-time positions, new programs, equipment purchases and capital programs that are necessary as the City continues to grow.

On July 29, 2014 in a Budget Workshop, the City Council met to review the Proposed FY 2014-2015 Budget and Proposed Tax Rate. The budget process is a culmination of many months of data gathering, forecasting and determining the best uses of the City's limited resources. The Proposed Budget is presented by the City Manager at the Budget Workshop to be deliberated. The Council evaluates proposed positions, new programs, equipment purchases and capital projects. The Council also uses this forum to decide the appropriate tax rate to fund approved budget items.

The Proposed Tax Rate will generate the necessary revenue to fund public safety, purchase necessary capital items and to continue infrastructure projects.

Tax Assessor-Collector, Dalia Sanchez will publish the required notices that will include the following proposed tax rate increase and public hearing dates:

Proposed Tax Rate	\$0.600630 per \$100
Preceding Year's Tax Rate	\$0.572756 per \$100
Effective Tax Rate	\$0.550630 per \$100
RollBack Tax Rate	\$0.632359 per \$100

1st public hearing will be held on August 14th at 7 pm - Special Meeting

2nd public hearing will be held on August 19th at 7 pm - Regular City Council meeting

Council Member Vilo made the motion setting the public hearings on the proposed tax rate for August 14, 2014 at 7:00 p.m. and August 19, 2014 at 7:00 p.m., seconded by Mayor Pro Tem Skurow.

The motion passed 6-0.

10. PURCHASE OF WASTEWATER SERVICE TRUCK : THE CITY COUNCIL WILL CONSIDER THE PURCHASE OF A 2015 CHEVROLET SILVERADO 3500HD WITH CRANE PACKAGE FROM CALDWELL COUNTRY FOR \$49,911.00 – ASSISTANT CITY MANAGER

Assistant City Manager, Brian DeLatta explained that the existing wastewater service truck is at the end of its serviceable life. The 1997 Chevrolet 3500 has 123,000 miles and its crane used to pull lift station pumps and large meters has been replaced twice and overhauled two additional times. After significant research, three bids have been received through the Buy Board Cooperative Purchasing program, with the low bid of \$49,911.00 from Caldwell Country for a 2015 Chevrolet Silverado 3500HD with a Liftmoore 4,000 pound crane and 16-foot boom.

We have received pricing from four bidders for the purchase of a truck. Given the load requirements of the crane system, a Chevrolet Silverado 3500HD or Ford F-450 were deemed to be appropriate.

The total cost from the low bidder is \$49,911.00. This price includes delivery, service platform, crane, tow package, and safety lights. City of Portland logos and markings will be installed by City personnel.

Council Member Moore made the motion to purchase a Chevrolet Silverado 3500JD with crane package from Caldwell Country for \$49,911.00 as priced through the Buy Board Cooperative Purchasing Program, seconded by Council Member Lewis.

The motion passed 6-0.

11. RESOLUTION NO. 685 - CAPITAL IMPROVEMENT PLAN (CIP): THE CITY COUNCIL WILL CONSIDER RESOLUTION NO. 685 ADOPTING A 5-YEAR CAPITAL IMPROVEMENT PLAN – CITY MANAGER

City Manager, Randy Wright explained that the City Charter requires the City Manager to submit a 5-Year Capital Improvement Plan to the City Council by May 15 of each fiscal year and the City Council is to approve a 5-Year Capital Improvement Plan submitted by the City Manager, with or without amendments, by August 15 of each fiscal year.

Mayor Pro Tem Skurow made the motion to approve Resolution No. 685 adopting the 5-year Capital Improvement Plan (October 1, 2014 – September 30, 2019), seconded by Council Member Lewis.

The motion passed 6-0.

12. SETTLEMENT AGREEMENT: THE CITY COUNCIL WILL CONSIDER, APPROVE OR DISAPPROVE A SETTLEMENT AGREEMENT IN LAWSUIT STYLED “TEAL CONSTRUCTION VS. CITY OF PORTLAND” – CITY MANAGER

Council Member Moore made the motion to table this item for consideration during the next regular meeting on August 19, 2014, seconded by Council Member Jorgensen.

The motion passed 6-0.

C. CITIZEN COMMENTS, QUESTIONS, REQUESTS, AND PROPOSALS NOT APPEARING ON THE AGENDA:

Members of the audience who wish to (1) comment on issues for which there is no item on this agenda, (2) present questions for which there is no item on this agenda, (3) request assistance for which there is no item on this agenda or (4) propose regulatory changes for which there is no item on this agenda, must comply with the following rules of procedure:

- Persons who wish to speak must fill out and turn in a speaker card before the meeting is convened (The Mayor will notify you when it’s your turn to speak and direct you to the podium)
- Persons who wish to speak must identify themselves and their places of residence
- All comments, requests and proposals must be presented to or through the Mayor
- Persons who wish to speak will only be given 4 minutes to do so

Neither the City Council nor the Staff is legally permitted to respond to citizen comments, questions, requests, or proposals at the time of the meeting. A member of the City Council or the City Manager may place an item on the agenda of a future City Council workshop or meeting to legally do so. If that is done, the audience member seeking a response will be given advance notice.

There were none.

D. ADJOURNMENT: MAYOR

Mayor Krebs adjourned the meeting at 8:04 p.m.

E. NOTICE OF ASSISTANCE:

If you plan to attend this public meeting and you have a disability that requires special arrangements to be made, please contact City Secretary Annette Hall (361-777-4513 or annette.hall@portlandtx.com) in advance of the meeting. Reasonable accommodations will be made to facilitate your participation. The City Hall is wheelchair accessible and specially marked parking spaces are located in front of its entrance. Special seating will be provided in the Council Chamber during the meeting.

BRAILLE IS NOT AVAILABLE

Approved:

David Krebs
Mayor

Attest:

City Secretary

**CITY OF PORTLAND
CITY COUNCIL
SPECIAL MEETING
AUGUST 14, 2014 – 7:00 P.M.**

On this the 14th day of August 2014, the Council of the City of Portland convened in a special meeting session at 7:00 p.m. in the Council Chambers of City Hall, Daniel P. Moore Community Center Complex and notice of regular meeting giving the time, place and date and subject having been posted as described by Section 551 of the Government Code.

MEMBERS PRESENT:

Cathy Skurow	Mayor Pro Tem
Ron Jorgensen	Council Member
John Vilo	Council Member
Gary Moore, Sr.	Council Member
John Green	Council Member
David Lewis	Council Member

MEMBERS ABSENT:

David Krebs	Mayor
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STAFF PRESENT:

Randy Wright	City Manager
Brian DeLatte	Assistant City Manager
Annette Hall	City Secretary
Michel Sorrell	Finance Director
Kristin Connor	Director of Parks and Recreation
Tim Vanlandingham	Fire Chief
Dorothy Torres	Interim Library Director
Brandon Lemon	Accounting Assistant
Fred Bussman	IT Technician

And with a quorum being present, the following business was transacted:

1. **CALL TO ORDER:** MAYOR KREBS

Mayor Pro Tem Skurow called the meeting to order at 7:00 pm.

2. **PUBLIC HEARING ON PROPOSED TAX INCREASE:** THE CITY COUNCIL WILL CONDUCT A PUBLIC HEARING TO SOLICIT COMMENTS FROM CITIZENS AND OTHER INTERESTED PARTIES CONCERNING A PROPOSED INCREASE OF TOTAL TAX REVENUES.

THE TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9.08 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$50.00.

Mayor Pro Tem Skurow opened the public hearing at 7:00 p.m. to solicit comments from citizens and other interested parties concerning a proposed increase of total tax revenues.

Director of Finance, Michel Sorrell explained that in accordance with Truth-in-Taxation laws, the City is required to hold two public hearings on the proposed ad valorem tax rate if it exceeds the lower of the effective tax rate or the rollback rate. The two public hearing dates are August 14, 2014 at 7:00 p.m. (City Hall) and August 19, 2014 at 7:00 p.m. (City Hall).

She then presented and reviewed the following:

FY 2014-15 Budget Highlights

- The proposed budget is conservative and generally flat
- Increases to the budget are predominantly public safety and infrastructure
- Public safety enhancements include:
 - 3 new firefighter to start May 2015
 - 1 new dispatcher to start May 2015
- Infrastructure increases:
 - A (\$5,000,000) and Street Rehabilitation (\$4,000,000)

General Fund & Debt Service Fund

General Fund

Projected Budget FY 2014		Proposed Budget FY 2015	
Revenues	\$10,330,449	Revenues	\$10,637,484
Expenditures	<u>10,309,975</u>	Expenditures	<u>10,637,438</u>
Surplus/(Deficit)	\$20,524	Surplus/(Deficit)	\$56

Debt Service Fund

Projected Budget FY 2014	Proposed Budget FY 2015
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Revenues	\$1, 248,238	Revenues	\$1,760,804
Expenditures	<u>1,186,289</u>	Expenditures	<u>1,752,723</u>
Surplus/(Deficit)	\$61,949	Surplus/(Deficit)	8,081

The Proposed FY 2014-2015 Budget is predicated on the proposed tax rate as follows:

	<u>2014 Effective Tax Rate (ETR)</u>	<u>2014 Proposed Tax Rate</u>	<u>2014 Rollback Tax Rate</u>	<u>2013 Tax Rate (Last Year)</u>
General Fund (M&O Rate)	\$0.375827	\$0.425827	\$0.457556	\$0.440586
Debt Service (I&S Rate)	<u>0.174803</u>	<u>0.174803</u>	<u>0.174803</u>	<u>0.132170</u>
Total Ad Valorem Tax Rate	\$0.550630	\$0.600630	\$0.632359	\$0.572756

The proposed tax rate will generate approximately \$422,544 in additional tax revenue. The Debt Service (I&S) portion has increased by \$0.043, or 32.25%, due to the 2014 Series Street Bond Issue in the amount of \$5,000,000. This bond issue is for the Street Improvement Project Phase 9A & 9B. The debt service portion of the ad valorem tax rate, and resulting levy, are used to satisfy the debt service payments.

With no citizen participation, Mayor Pro Tem Skurow closed the public hearing at 7:06 p.m.

3. ADJOURNMENT: MAYOR KREBS

Mayor Tem Skurow adjourned the meeting at 7:06 p.m.

NOTICE OF ASSISTANCE

If you plan to attend this public meeting and you have a disability that requires special arrangements to be made, please contact City Secretary Annette Hall (361-777-4513 or annette.hall@portlandtx.com) in advance of the meeting. Reasonable accommodations will be made to facilitate your participation. The City Hall is wheelchair accessible and specially marked parking spaces are located in front of its entrance. Special seating will be provided in the Council Chamber during the meeting.

BRAILLE IS NOT AVAILABLE

Approved:

Cathy Skurow
Mayor Pro Tem

Attest:

City Secretary



CITY COUNCIL ACTION ITEM

AGENDA TITLE	<u>CONTRACT FOR EMERGENCY MEDICAL SERVICES</u> THE CITY COUNCIL WILL CONSIDER A CONTRACT FOR EMERGENCY MEDICAL SERVICES WITH ALLEGIANCE AMBULANCE
MEETING DATE	8/19/2014
DEPARTMENT	Administration
SUBMITTED BY	Randy L Wright, City Manager

EXECUTIVE SUMMARY

Guardian EMS has been acquired by Allegiance Ambulance. The change in company ownership requires a new contract.

PRIOR ACTIONS OR REVIEWS

The current contract for EMS services with Guardian EMS was executed on May, 2, 2007.

DETAILS / STAFF ANALYSIS

Guardian EMS has been acquired by Lone Star Ambulance, LLC, dba Allegiance Ambulance. Under the terms of our contract with Guardian, the new owner must seek approval from the City for the change in ownership and the City may not unreasonably withhold approval of the change. We have taken the opportunity to reevaluate the contract and negotiate a number of minor changes and housekeeping changes that we believe will more clearly define procedures and improve service to the community.

Allegiance has already taken over non-emergency operations from Guardian and will coordinate a smooth transition of emergency 9-1-1 response upon execution of this contract with the City.

ALTERNATIVES CONSIDERED

None.

FINANCIAL IMPACT

The contract does not alter the existing funding subsidy for EMS services. The City will continue the subsidy to Allegiance Ambulance at \$169,500 per year. The contract includes an annual escalation clause tied to changes in the Consumer Price Index.

ATTACHMENTS

Proposed EMS contract

RECOMMENDED ACTION

Motion to authorize the City Manager to execute a contract with Allegiance Ambulance for emergency medical services for Portland.

F. Second Call: An emergency call received anytime the primary ambulance and crew are engaged on another call, treating a patient, transporting a patient, unavailable due to technical difficulties, or outside the city limits of Portland.

G. City Service Area: That area which includes both the incorporated limits of the City of Portland as well as those areas outside the corporate limits that lie within San Patricio County and for which the CITY has agreed to provide fire department and EMS responses in exchange for an established subsidy from San Patricio County.

3. **SCOPE OF SERVICES:** COMPANY hereby promises and agrees to render and perform the services of a Mobile Intensive Care Provider, under the terms and conditions of this contract, for the benefit of the CITY and its residents, and it shall be obligated to do so on all emergency calls for the general public in the City of Portland and within its extraterritorial area of responsibility.

The services provided for under this contract shall not include patient transfers to or from any rest home, clinic, hospital, convalescent home or other private institution which do not involve an emergency medical treatment which is immediately essential to the life or health of a person.

4. **CONSIDERATION FOR SERVICES:** As consideration for rendering the emergency ambulance service provided for in the contract, the CITY promises and agrees to pay COMPANY the sum of \$14,125.00 per month on or before the 10th day of each month during the contract period following the rendition of services and receipt of any required reports by CITY, and continuing until the 10th day of the month immediately following termination hereof for a total contract amount of \$169,500. Payments shall be made at PO Box 2775, Georgetown, Texas 78627.

In addition, CITY agrees to allocate to the COMPANY any proceeds derived from San Patricio County as subsidy for the CITY'S provision of EMS services to those areas outside the corporate city limits but within the city service area.

Escalation of Subsidy: During each January that this contract is in force, COMPANY may request an adjustment to the contract subsidy that is based upon the change in the U.S. City Average Consumer Price Index (CPI) for the previous calendar year. The adjustment shall not be more than three (3) percent and shall be calculated as the change between the CPI for December of the prior year and the CPI for January of the prior year.

5. **RADIO CONTROL PHYSICIANS:** COMPANY agrees to take the appropriate steps to provide safe and effective physician's directions of field procedures between COMPANY field personnel and emergency department physicians. This includes but is not limited to communication procedures, patient assessment techniques, standing orders, on-board

equipment and supplies and recommended diagnosis as well as specific or problem oriented medical protocols.

6. **PUBLIC SAFEGUARDS:** COMPANY agrees that if, in the opinion of the CITY, the COMPANY fails to perform under this contract to the extent that public health and safety is endangered, then the CITY shall provide a safe, smooth and efficient takeover of field operations.

COMPANY agrees that if the City determines or discovers that the COMPANY has endangered or been determined to have been negligent in its care to patients or to citizens during its operation, then the CITY has the right to initiate an efficient takeover of field operations.

7. **COMPANY BILLING AND COLLECTION ACTIVITIES:** COMPANY is authorized to charge for emergency ambulance service and supplies at rates commensurate with local custom and industry standards. CITY will not guarantee payment of such fees, nor will it do billing for COMPANY. COMPANY will be responsible for billing persons receiving service and fees shall be paid by persons receiving the service directly to COMPANY. COMPANY shall comply with all state and/or federal laws pertaining to billing for and collection of any fees generated under this contract. COMPANY agrees that its conduct of billing and collection activities and/or those billing and collection activities conducted on the COMPANY'S behalf must be lawful, humane, professional, and respectful.
8. **RESPONSIBILITIES OF THE PARTIES:** The list provided below identifies primary responsibilities of COMPANY and CITY. In addition to those enumerated responsibilities, COMPANY agrees to conduct its operations using customary business and professional methods and standards not specifically included herein.

- A. COMPANY employs and manages all ambulance personnel.
- B. COMPANY provides or contracts for all employee in-service training.
- C. COMPANY provides or contracts for maintenance and insurance of the equipment owned by the COMPANY that may be used within the City and provides copies of those contracts and insurance certificates to the CITY'S Fire Chief.
- D. COMPANY will, while using and occupying CITY properties or buildings, not damage or misuse facilities other than that attributable to normal wear and tear and shall maintain all occupied areas in a consistently clean and orderly manner. During the term of the contract, COMPANY may occupy designated areas of the James L. Bishop Fire Station including the day room and two (2) vehicle bays. Additional areas that may be available to COMPANY as well as the terms of day-to-day use shall be approved by the CITY'S Fire Chief.

- E. COMPANY operates ambulance system to meet all clinical response time standards.
- F. COMPANY negotiates and maintains hospital ambulance policies, patient "exchange" policies, equipment rotation programs and maintains good working relations with all other health care provider organizations and personnel.
- G. COMPANY establishes and maintains good working relationships and provides up to date protocols to all area first responder agencies to ensure continued first responder support and will provide the names of those agencies and current copies of any such protocols to the CITY's Fire Chief upon request.
- H. COMPANY utilizes vehicles that are operationally suitable and secures new or replacement ambulances as COMPANY deems necessary in order to comply with this contract.
- I. COMPANY keeps all its vehicles used in connection with this contract externally clean and internally sanitized, professionally marked, and free of visible damage or unusual wear.
- J. COMPANY establishes and maintains good working relationships with area law enforcement agencies.
- K. COMPANY may market transfer work and other ancillary services to improve its efficiency and to enhance its disaster response capacity.
- L. COMPANY shall make available professionally prepared pamphlets, brochures, circulars, and other documents as appropriate to advise the citizens residing in the service area of the level of service available, the types of services available, how to resolve complaints concerning service and the rates charged by COMPANY to provide services to the public.
- M. CITY may provide a limited number of radios to be used for communications with the Portland Police Department 9-1-1 dispatch center. The COMPANY will cooperate with the 9-1-1 system and be fully operational using the 9-1-1 system from the initial date of contract and continuously thereafter. COMPANY shall be responsible for any damage to equipment supplied by the CITY not attributable to normal wear and tear.
- N. At the COMPANY's request, CITY will provide COMPANY with an EMS talk group on the CITY'S 800 MHz trunking radio system. CITY will allow COMPANY to network with the radio system via its C-Soft software utilizing a VPN connection or through alternative methods.

- O. Within its technical capabilities, CITY shall transfer all telephone calls requesting EMS services to COMPANY'S call center for pre-arrival instructions utilizing COMPANY'S Emergency Medical Dispatch protocols.
- P. COMPANY ensures courteous and professional conduct of all office personnel and field personnel at all times.
- Q. COMPANY maintains neat, clean, and professional appearance of all personnel, equipment and facilities.
- R. COMPANY negotiates mutually beneficial support agreements with neighboring ambulance services, subject to approval by the CITY and will provide copies of any such agreements to the CITY's Fire Chief.
- S. COMPANY shall promote and maintain a good reputation through participation in published research and industry affairs, prompt response and follow-up to inquiries and complaints from any member of the news media, or from any citizen, leadership in community CPR programs, leadership and participation in such community activities as health fairs, school programs and business group meetings and meetings of community service organizations, and such. COMPANY shall keep personnel reasonably available for interviews with the representatives of the press and news media related to general COMPANY operations but will, without approval from the City Manager, refrain from releasing information to the news media about any incident under investigation by the CITY's police department or fire department.
- T. COMPANY participates actively in the medical audit process, provides special training and support to personnel found in need of special assistance in specific skills or knowledge areas, and provides additional clinical leadership by maintaining a current and extensive knowledge of developments in equipment and procedures throughout the industry and implements such developments when possible. The COMPANY will provide the CITY's Fire Chief with employee training records at least annually and upon request.
- U. COMPANY maintains appropriate state and local vehicle permits and personnel certifications and the Texas Department of State Health provider's license and shall provide copies of such permits, certifications and licenses to the CITY's Fire Chief.
- V. COMPANY shall advise the CITY in advance concerning financial implications or changes under consideration by the COMPANY.
- W. COMPANY shall submit a quality assurance plan to the CITY'S Fire Chief outlining a comprehensive, on-going employee training and service assessment program designed to ensure continuous self-evaluation and service

improvements consistent with or exceeding industry standards. The COMPANY shall appoint and maintain a local Quality Assurance Director.

- X. Each MICU vehicle used by COMPANY in the provision of ambulance services under this contract shall carry all equipment necessary for the treatment and the transportation of children including child-sized backboards, splints, cervical splints, and other equipment as may be required from time to time by the medical director.
 - Y. In addition to any electronic GPS equipment, each MICU vehicle used by the COMPANY to respond to emergency calls for the CITY shall carry on board an up-to-date street map of the City of Portland and surrounding areas.
 - Z. The COMPANY shall become an in-network, preferred provider for the CITY's employee health insurance plan: United Health Care Choice Plus;
 - AA. COMPANY must meet with neighboring jurisdictions, Gregory VFD, Taft VFD, Ingleside VFD, Ingleside on the Bay VFD and Aransas Pass FD at least twice a year in order to establish and maintain a good working relationship and to ensure continued mutual aid support. COMPANY must also meet with above departments/jurisdictions EMS services for same purpose.
9. **REASONABLE WORK SCHEDULES AND WORKING CONDITIONS:** COMPANY is expressly required to utilize reasonable work schedules, shift assignments and to provide adequate working conditions. COMPANY is expected to utilize management practices which ensure that field personnel working extended shifts, part-time jobs, voluntary overtime or mandatory overtime, are not exhausted to an extent which might impair judgment or motor skills. If events warrant such actions, the CITY'S Fire Chief may approve or establish rest standards for extended shifts and standards governing the use of back-to-back shifts as deemed necessary to protect patients from the possibility of error caused by exhausted field personnel. In the event such standards are developed by the CITY'S Fire Chief, they shall be agreed to by both the CITY and the COMPANY and shall not be considered an increase in standards eligible for compensation adjustments.
10. **EQUIPMENT AND STAFF LEVELS:** COMPANY agrees to have a sufficient number of MICU ambulances, personnel and equipment available on a 24-hour basis to properly and efficiently answer and service all emergency calls that might arise within the CITY. At least one MICU ambulance and crew shall be located within the City of Portland. For purposes herein, the term "Sufficient number of ambulances" shall mean not less than one (1) fully staffed ambulance but may mean more than one as circumstances warrant. At a minimum, COMPANY agrees that at least one (1) EMT-Paramedic and one (1) EMT-Basic per ambulance, trained and certified to properly discharge the duties and responsibilities associated with a mobile intensive care emergency service, shall be on board COMPANY ambulances at all times when responding to any emergency call.

11. RESPONSE TIME: COMPANY agrees that it will respond to emergency calls in a reasonable, safe and efficient manner, and in compliance with any state and local laws governing emergency vehicles. Additionally, in discharging its duty hereunder, COMPANY is fully cognizant and aware that CITY considers that time is of the essence in responding to an emergency call. COMPANY agrees to respond to calls for emergency service in the following manner:

First Call Ambulance: 90% of all first calls in each calendar month in less than five (5.0) minutes computed using a fractile performance model.

Second Call Ambulance: 90% of all second calls in each calendar month in less than fifteen (15.0) minutes computed using a fractile performance model.

COMPANY's compensation will be reduced for failure to meet response time requirements as follows: For each 1% that COMPANY falls below response time requirement as outlined in this agreement, 5% will be deducted from the subsidy such that at 79% response time performance, COMPANY receives no subsidy.

The CITY'S Fire Chief may waive some or all response requirements or may exempt COMPANY from response time requirements for certain types of calls or periods of time including periods of severe weather, during unusual system overloads, or during declared disasters.

12. VEHICLE AND EQUIPMENT STANDARDS:

- A. All motor vehicles used for the purpose of providing ambulance service hereunder shall be designed and constructed to transport ill, sick, or injured persons in comfort and safety and shall be maintained in clean, sanitary, and first class mechanical condition at all times and comply with any applicable State of Texas standards for ambulances.
- B. All mechanical, safety, and special equipment shall be subject to inspection at any time by representatives of the CITY.
- C. No ambulance that has been substantially damaged or altered shall be again placed in service until it has been reinspected.
- D. Under this contract, the COMPANY shall be responsible for furnishing all maintenance of vehicles and on board equipment and facilities used by the COMPANY in performance of this work unless otherwise stated.

13. DISASTER ASSISTANCE AND MUTUAL AID RESPONSIBILITIES: During a declared disaster, locally or in a neighboring jurisdiction, the normal course of business shall be interrupted

from the moment the disaster situation is made known to the COMPANY by the CITY'S designated representative. COMPANY shall then, as provided for in approved disaster plans and protocol commit such resources as are necessary and appropriate given the nature of the disaster. At the scene of such disasters, the COMPANY'S personnel shall perform in accordance with disaster protocol established by that community. When the disaster assistance has been terminated, COMPANY shall resume normal operations as rapidly as practical considering exhaustion levels of personnel, need for restocking, etc. During the course of the disaster, COMPANY shall use best efforts to provide local emergency coverage, and shall suspend non-emergency transport work as necessary. This shall not prevent the COMPANY from conducting transport work so long as one MICU ambulance and crew remains in Portland for use in emergency service. Normal mutual aid calls rendered by the COMPANY shall be performed in accordance with approved mutual aid agreements. The COMPANY shall manage any response to such aid requests in a manner which does not jeopardize COMPANY'S ability to render reliable services under this contract.

14. DATA COLLECTION AND REPORTING REQUIRED: Under this contract, COMPANY'S data collection and reporting systems shall meet the following minimum standards:

- A. COMPANY shall convey to the CITY system status plan changes at least thirty (30) days in advance of implementation of such changes.
- B. COMPANY shall see that all contractor's employees are appropriately certified at both the state and local levels and at least semi-annually shall furnish to the CITY documentation of same, as well as records of participation in quality assurance and in-service training programs.

15. OUTSIDE WORK: COMPANY shall not be prohibited from doing outside work (i.e. long distance transfer work, non-emergency work, interhospital transfers, wheelchair transportation, special events coverage, VA contract work, etc.) either within or outside COMPANY'S primary area of responsibility, provided:

- A. COMPANY'S method of producing such services are designed to enhance COMPANY'S peak load capacity, disaster readiness and overall efficiency and do not detract from emergency service responsibility under this contract. COMPANY may not utilize the first call emergency ambulance and crew as described in Paragraph 15 unless and until a similarly staffed, equipped and capable unit is in position within the service area and ready to respond to 9-1-1 calls.
- B. The COMPANY shall not be involved in any activities that violate any federal, state or local law regulations or ordinances or any activity that brings discredit to or damages the image of the CITY as determined by the CITY'S Fire Chief. Any such activities found to have occurred or been engaged in by COMPANY or any employees of the COMPANY shall constitute a breach of this agreement.

- 16. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS:** All services furnished by the COMPANY under this contract shall be rendered in full compliance with all applicable federal, state and local laws, rules and regulations. It shall be the COMPANY'S sole responsibility to determine which laws, rules, and regulations apply to the services rendered under this contract, and to maintain compliance to those applicable standards at all times.
- 17. INSURANCE AND INDEMNIFICATION:** At all times during the term of this contract, and throughout any extension periods, the COMPANY shall obtain and pay all premiums for and furnish memoranda of insurance to the CITY for insurance as specified within this document. Other parties shall furnish the CITY with a certificate of insurance indicating that the types and amounts of insurance required under this contract are in full force and effect and that the insurance carrier shall give the CITY thirty (30) days written notice of any cancellations, charge, termination, failure to renew, or renewal or any change in coverage of any such policy or policies reflected on said certificate.
- A. COMPANY HEREBY AGREES AND SHALL INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS INDIVIDUAL EMPLOYEES, OFFICERS, AND ELECTED OFFICIALS FROM CLAIMS ARISING IN THE COURSE OF COMPANY'S CONDUCT OF OPERATIONS UNDER THIS CONTRACT. COMPANY SHALL ALSO OBTAIN AND MAINTAIN DURING THE TERM OF THE CONTRACT WORKERS COMPENSATION INSURANCE AS PRESCRIBED BY THE LAW OF THE STATE OF TEXAS.
- B. All such insurance shall be furnished by an insurance carrier appropriately licensed to write such policies, and acceptable to the CITY.
- C. Malpractice insurance furnished under this policy shall be on "occurrence" type of policy rather than a "claims made" type of policy. That is, as long as the incident occurred during the policy period, coverage shall be provided no matter when the claim is made, even if the claim is made several months or years after the actual event took place or after the contract expired.
- D. No ambulance vehicle shall be operated in the CITY unless there is coverage at all times in full force and effect as required by law as follows:
1. Public vehicle liability insurance in an amount required by state law.
 2. Risks and Limits of Liability. The insurance, at minimum, must include the following coverage and limits of liability:
 - a. Ambulance Malpractice, Bodily Injury and Property insurance in an amount of not less than One Million Dollars (\$1,000,000) for each claim.

- b. A One Million Dollars (\$1,000,000) umbrella policy providing additional coverage to all underlying liabilities.
 - c. Automobile Liability Bodily Injury and Property Damage Combined Single Limit of One Million Dollars (\$1,000,000)
 - d. Uninsured/Underinsured Statutory Motorist.
 - 4. Such insurance policies required herein as well as declarations pages and certificates of insurance shall be submitted to the CITY'S legal counsel for approval prior to signing the contract. Satisfactory evidence that such insurance is at all times in force and effect shall be furnished to the CITY'S legal counsel in such form and at such times as he may specify.
 - 5. Every insurance policy required shall extend for the period to be covered by the license granted COMPANY for the ambulance service, and the insurer shall be obligated to give not less than thirty (30) days written notice to the CITY and designated representative of the CITY before any cancellation or other termination date.
 - 6. The cancellation of any policy required herein shall automatically revoke and terminate the contract for ambulance service granted by the CITY unless another insurance policy complying with the insurance section provision shall be provided and be in full force and effect at the time of such cancellation or termination.
 - 7. COMPANY shall cause each insurance policy required herein to name the CITY as an additional insured along with its individual employees, officers, and elected officials.
- 18. NON-TRANSFERABLE CONTRACT:** This contract shall not be assigned or transferred without the express written permission of the CITY. Similarly, any change in ownership of the COMPANY shall be considered a form of assignment of this contract and must be approved by the CITY, provided, however, that the CITY shall not unreasonably withhold its approval of such change in ownership.
- 19. LOSS OF CONTRACT:** COMPANY understands and accepts that a loss of this contract in a future bid cycle or upon involuntary termination means the loss of all business and authority granted pursuant to this contract.
- 20. LAME DUCK PROVISIONS:**
- A. Should the COMPANY fail to win the bid in a subsequent bid cycle, the CITY shall depend on the COMPANY to continue provision of all services required under this contract until the subsequent winning bidder takes over. During such periods of

time, the COMPANY shall continue all operations essentially at the same level of effort and level of performance as were in effect prior to the award of the subsequent bid to a competing bidder, and COMPANY shall specifically be prohibited from making any changes in COMPANY'S method of operation which could reasonably be considered to be aimed at cutting COMPANY'S operating cost to maximize profits during the final stages of the contact.

- B. Any deterioration in quality of level of service during such "lame duck" period or unusual reduction in the labor force, management staff, or quality of in-service training efforts, or any other substantial reduction in effort during the "lame duck" period as compared with the previous months of operation, may be viewed as an attempt by the COMPANY to engage in excessive profit taking during the "lame duck" period, and the CITY, at its option, may calculate the value of such reduction and may deduct the amount of such values from the CITY'S final payments to COMPANY.
- C. COMPANY shall in no way penalize or bring personal hardship to bear upon any of its employees who may apply for work with a competing bidder in future bid cycles, and shall specifically allow, without penalty, its employees to sign contingent employment agreements with competing bidders at the employee's discretion. In submitting a bid proposal under this contract, COMPANY expresses its understanding, acceptance, and endorsement of this provision.

21. COOPERATION WITH LOCAL LAW ENFORCEMENT AGENCIES AND FIRE DEPARTMENTS: COMPANY shall seek and offer cooperation from local law enforcement agencies to establish standardized procedures for providing emergency services at the scene of auto accidents and other incidents. COMPANY shall cooperate fully in furnishing emergency standby coverage as requested by law enforcement agencies and fire departments during events where firefighters or law enforcement personnel may be subject to injury. Such standby coverage may be furnished utilizing already on-duty ambulance units and shall be furnished without additional compensation to COMPANY.

22. AUDITS AND INSPECTIONS: At any time during normal business hours and as often as may reasonably be deemed necessary, CITY representatives may observe COMPANY'S operations and COMPANY shall make available to the CITY for its examination its records with respect to all matters covered by this contract, and the CITY may audit, examine, copy, and make excerpts or transcriptions from such records and may make audits of all contracts, invoices, materials, payrolls, inventory records, records of personnel daily logs, conditions of employment and other data related to all matters covered by this contract. CITY representatives may, at any time, and without notification, directly observe COMPANY'S operation of any maintenance facility, ambulance station or post location provided, however, that in exercising this right to inspection and observation, CITY observation representatives shall conduct themselves in a professional and courteous manner, shall not interfere in COMPANY'S duties and shall at all times be respectful of COMPANY'S employer/employee relationships.

- 23. RIGHTS AND REMEDIES NOT WAIVED:** The COMPANY agrees and guarantees that the work herein specified shall be completed without further compensation than that provided for in this contract and that the acceptance of award herein and the payment therefore shall not be held to prevent maintenance of an action for failure to perform such work in accordance with the contract. In no event shall any payment by the CITY hereunder constitute or be construed to be a waiver by the CITY of any breach or of any default existing and shall in no way impair or prejudice any right or remedy available to the CITY with respect to such breach or default.
- 24. SUSPECTED OR KNOWN CHILD OR ELDERLY ABUSE:** If any employee of COMPANY suspects a child or an elderly person to have been or knows of a child or elderly person to have been abused, such suspected or known child or elderly abuse shall be reported within 24 hours to local law enforcement agencies and the Texas Department of Family and Protective Services.
- 25. DEFINITIONS OF MAJOR BREACH AND PROVISIONS FOR EMERGENCY TAKEOVER:** Conditions and circumstances which constitute a major breach of contract by the COMPANY shall include but not be limited to the following:
- A. Failure of the COMPANY to operate the ambulance service system in a manner which enables the CITY and the COMPANY to remain in substantial compliance with the requirements of all applicable federal and state laws, rules and regulations. Minor infractions of such requirements shall not constitute a major breach of this contract.
 - B. Willful fabrication or falsification of information supplied by the COMPANY during the bid process or during the term of this contract.
 - C. Willful fabrication or falsification of data supplied to the CITY during the course of operations, including by way of example and not by way of exclusion, dispatch data, response time data, financial data, erroneous information designation to enhance COMPANY'S apparent performance, or falsifications or fabrications of any other data required under this contract.
 - D. Deliberate, excessive, and unauthorized scaling down of operations to the detriment of performance during a "lame duck" period.
 - E. Failure to maintain vehicles and equipment in accordance with good maintenance practices and/or the requirements included herein.
 - F. Failure to cooperate with and assist the CITY in establishing, operating, and maintaining a formal complaint resolution procedure.

- G. Failure of the COMPANY to meet monthly response time requirements on three (3) or more occasions in any twelve (12) calendar months.
- H. Failure to cure equipment, staffing or other standards established in this contract within ten (10) days from written notification of the violation of such standard.
- I. Failure of COMPANY to cooperate with and assist the CITY after a major breach has been declared, even if it is later determined that such breach never occurred, or that the cause of such breach was beyond COMPANY'S reasonable control.
- J. In the event the CITY determines that a major breach has occurred, and if the nature of the breach is, in the CITY'S opinion, such that the public health and safety are in danger, or if the COMPANY has been found to be negligent in its patient care or endangered the patient or citizens during its operation and after COMPANY has been given notice and reasonable opportunity to correct their deficiency, the matter shall be reviewed by the CITY. If, after CITY review of the matter, the CITY determines that a major breach has occurred or that the COMPANY has been found to be negligent in its patient care or endangered the patient or citizens during its operation and that the public's health and safety would be endangered by allowing COMPANY to continue its operations, COMPANY shall cooperate completely and immediately with the CITY to effect an immediate takeover by the CITY, or interim ambulance company approved by the CITY, of COMPANY'S operations. No litigation shall have the effect of delaying in any way the immediate takeover of operations by the CITY. If the CITY in its sole discretion determines it is in the interest of the public health and safety, regardless of any other provision herein, the CITY may undertake an immediate takeover.
- K. These provisions are specifically stipulated and agreed to by both parties as being reasonable and necessary to the protection of public health and safety, and any legal dispute concerning the finding that a major breach has occurred shall be initiated and shall take place only after the emergency takeover has been completed, and shall not under any circumstances delay the process of the emergency takeover by the CITY.
- L. COMPANY'S cooperation with and full support of such emergency takeover will not be construed as acceptance by the COMPANY of the findings of major breach, and shall not in any way jeopardize COMPANY'S right to recover should a court later find that the declaration of major breach was made in error.

26. SPECIAL PROVISIONS: The following special provisions shall apply: In the event of discrepancy between these special provisions and any provisions set forth herein, the language contained in these special provisions shall govern.

- A. Upon expiration, this contract shall automatically renew for an additional five (5) years unless terminated by one of the parties.

- B. While the contract is in force, either party may, after one hundred twenty (120) days notice to the other, withdraw from the contract without penalty.
- C. CITY may employ dispatch data to generate various reports for purposes of monitoring COMPANY'S response time, performance and for other purposes.
- D. When a request for service which originates from within CITY'S service area is responded to by mutual aid provider at COMPANY'S own request, the arrival time of that mutual aid provider shall be treated as if it were COMPANY'S own responding unit for the purposes of calculating response time.
- E. COMPANY understands that subsidy payments provided for herein are public funds subject to appropriation by the CITY. In the event the CITY fails in future fiscal years to appropriate sufficient funds to fulfill its obligations to COMPANY as promised herein, the CITY and COMPANY shall negotiate to establish reductions in operational and clinical standards as may be fair and reasonable in light of the amount of lost subsidy.
- F. Emergency telephone listings shall be furnished by COMPANY. Cost of additional yellow page advertising or non-emergency telephone listings shall be the responsibility of COMPANY. All forms of public information and advertising by COMPANY shall be done at COMPANY'S own expense.
- G. The CITY reserves the right to negotiate at any time with COMPANY to alter the terms and provisions of this contract to ensure that the needs of the citizens of the CITY are always addressed and served.
- H. Except for ambulance runs that originate and terminate beyond the scope of this contract and outside the City of Portland, COMPANY shall neither request nor receive payment for services rendered at the scene, en route, or upon delivery of a patient.
- I. COMPANY will provide continuing education through its training academy to CITY personnel at no charge through joint training sessions.

SIGNED in duplicate originals this _____ day of _____, 2014.

CITY OF PORTLAND, TEXAS

Randy L. Wright
City Manager, City of Portland

ATTEST:

Annette Hall, City Secretary

LoneStar Ambulance 1, LLC,
dba Allegiance Ambulance

David Phillips, Chief Executive Officer

ATTEST:
