

Final 1
Approved

AGREEMENT

Between

**PEORIA HOSPITALS' MOBILE MEDICAL SERVICES, INC., an
Illinois not-for-profit Company, d/b/a
ADVANCED MEDICAL TRANSPORT OF CENTRAL ILLINOIS**

And

CITY OF PEKIN, an Illinois Municipal Corporation

THIS AGREEMENT is entered into this 1st day of July, 2013 between PEORIA HOSPITALS' MOBILE MEDICAL SERVICES, INC., d/b/a ADVANCED MEDICAL TRANSPORT OF CENTRAL ILLINOIS (hereinafter "AMT") an Illinois not-for-profit corporation and the CITY OF PEKIN (hereinafter "City"), an Illinois Municipal Corporation.

WHEREAS, the Parties hereto recognize the importance of providing high quality ambulance service and first response to the citizens of Pekin, Illinois; and

WHEREAS, the Parties hereto recognize the importance of predictability and planning in the provision of ambulance service to the citizens of Pekin, Illinois; and

WHEREAS, the Parties desire to set forth between them their expectations regarding the provision of ambulance service and medical first response in the City of Pekin.

WHEREAS, the City of Pekin, the Pekin Fire Department (hereinafter "PFD") and AMT mutually agree to cooperate fully with each other to provide emergency medical service to all users of the 911 service and to commit to sustaining and enhancing the in-kind collaboration which will insure that the citizens of the City receive the emergency medical care and service that the two organizations can provide.

NOW, THEREFORE, in consideration of the covenants contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1.(a) AMT shall have a non-exclusive franchise right to supply ambulance service within the area served by the Pekin, Illinois Fire Department and AMT shall in fact provide ambulance service within the same area. AMT shall maintain any and all licenses required for the operation of ambulance service at the Advanced Life Support level of service. Said ambulance service shall comply with the Illinois Medical Services Act, the rules and of the Illinois Department of Public Health 77 Ill. Adm. Code § 515.800 et seq., in calendar year 2013 or most current edition.

(b) AMT shall provide ambulance service to the entire area served by the Pekin, Illinois Fire Department, including any territory, which may be annexed to the City during the term of this Agreement. AMT shall provide the City with proof of licensing concurrent with execution of this Agreement, and within thirty (30) days of any change in its licensing status, and at least annually, AMT shall provide the City with copies of any applications or filings pertaining to licenses and renewals of licenses directly related to operations for the City of Pekin within thirty (30) days after they are filed.

(c) The City agrees that it will not grant a franchise right to any third party to supply ambulance service which would 1) serve less than the entire area served by the Pekin Fire Department and 2) with the same or greater service levels as provided by AMT. If such a franchise is granted by the City to a third party who provides any of the services contained herein to the City, AMT shall have the right to terminate this Agreement upon one-hundred-eighty (180) days with written notice to the City.

2. The City agrees that, for as long as AMT complies with this Agreement and maintains its national accreditation, it will not operate an ambulance service or engage in the business of transporting patients to or from hospitals or other trauma centers unless a state of emergency has been declared.

3. (a) AMT agrees for the purpose of this Agreement, that AMT's primary response area is the entire area served by the Pekin, Illinois Fire Department. Response times for life-threatening Priority 1 emergencies shall meet the expectations of the National Fire Protection Association (NFPA) requirements at the time this agreement is adopted. The Priority 1 response time standard is one (1) minute call processing time plus, one (1) minute turnout time plus eight (8) minutes en route for a total interval of (10) minutes at least 90% of the time. All other nonlife-threatening Priority 2 (without lights and sirens) responses shall meet a one (1) minute call processing time plus, one

(1) minute turnout time plus 10 (ten) minutes en route for a total interval of (12) minutes at least 90% of the time. This agreement does not supersede any current Mutual Aid agreements, and the City of Pekin Fire Department has the right to call on any neighboring transporting service should the need arise.

(b) The City of Pekin uses TazCom for dispatching service, and the City of Pekin Fire Department agrees to strictly apply the Emergency Medical Dispatch (EMD) protocols of the medical directors utilized by the City of Pekin Fire Department, TazCom and AMT, as revised from time to time to the dispatching of ambulances for all medical responses in the City of Pekin.

(c) The Parties agree to meet regularly with each other, and to request TPCCC/TazCom presence, in order to improve compliance with EMD protocols and to ensure their correct application.

(d) Emergency calls for which the ambulance fails to notify the ambulance dispatch center of their "on scene" time would be considered a failure to meet the required response time standards. However, automatic vehicle location records will be used to validate "on-scene" times and will provide acceptable documentation of response time results should the crew inadvertently fail to notify the dispatcher when "on-scene", or when the data messaging network experiences a weak signal and does not throughput the electronic message. System-wide loss of data sending operability will not be considered a failure to meet these requirements.

(e) The City of Pekin shall be provided access to AMT's AVL monitoring system at all times.

(f) It is agreed that the standardized time for the City of Pekin, TPCCC/TazCom and AMT's computer systems is the National Atomic Clock, which shall be synchronized at least daily. For any year AMT fails to meet the annual, cumulative response time measurement at least 90% of the time for Priority 1 calls, as determined by AMT's auditor, AMT would be assessed a penalty of \$25,000 per year.

(g) Any time that a firefighter is utilized as 'additional personnel' to accompany an AMT ambulance to an out of town hospital (any hospital other than Pekin Hospital); this shall be considered part of the collaboration desired by this agreement and no fee may be assessed to AMT, unless call-in is required to maintain minimum staffing levels. If that call-in occurs a fee of \$150 will be billed to AMT. If circumstances prevent AMT from returning the

Firefighter to their station immediately following the transport, AMT will make arrangements to transport by private means the City's employee back to their station within one hour at its cost.

4. AMT agrees that the emergency contact number is 9-1-1 and will notify as soon as practicable the ECC on all medical calls where the agreed upon Emergency Medical Dispatch (EMD) protocol recommends fire and/or police response. All calls for service should be directed to 9-1-1. AMT agrees to follow the 911 Ordinance #2358.

5. AMT is accredited by the Commission on the Accreditation of Ambulance Services (CAAS). AMT agrees to maintain said accreditation and to notify the City within (30) thirty days of any change in its accreditation status.

6. If AMT fails to provide any report required by this Agreement within (30) thirty days of the due date of that report, AMT shall be assessed a penalty for each violation, in the amount of \$100 per day thereafter, until that report is received by the City of Pekin. AMT shall make payment of the total amount to the City of Pekin, within 30 (thirty) days of receipt of penalty assessment.

7. The Parties acknowledge that AMT interacts with various City departments on a regular basis. The Parties agree to negotiate in good faith to resolve issues that may arise between them during the pendency of this Agreement. Nothing in this Agreement, however, prohibits either Party from negotiating or entering into a contract with the other Party regarding the provision of service to the other.

8. This Agreement between AMT and the City may not be transferred or assigned, in any manner, without the express written consent of the City of Pekin. The City shall have a reasonable time to conduct its due diligence if a new provider and proposed assignee is presented to it, and does not need to make its decision until that reasonable due diligence has been completed, and the new provider meets all the expectations of the City of Pekin. The consent of the City may not be unreasonably withheld by it. If AMT is sold, subject to the above provision, AMT shall notify the City of the proposed and requested assignment of this agreement, by sending written notice, at least thirty (30) days prior to any proposed transfer of its intent to assign said agreement.

9. This Agreement shall be for an initial (10) ten-year term with two (5) five year options. After the ten-year term, this agreement may be terminated by

either party, provided written notice of said intention to terminate is received at least one year prior to January 1st of the year in which the party intends to terminate the agreement. After said notice is received, the agreement will terminate (12) twelve months after written notice to the other of its intent to terminate the agreement. Said termination shall become effective twelve months after it is delivered to the other party, and in accordance with the above provision.

10. Notices to the City shall be sent as follows:

City Manager and Corporation Counsel
City of Pekin
111 South Capitol Street
Pekin, IL 61554-4108

With copy to:
Fire Chief
City of Pekin Fire Department
3232 Court Street
Pekin, IL 61554

Notices to AMT shall be sent as follows:

Andrew Rand
Chief Executive Officer
Advanced Medical Transport
1718 North Sterling Avenue
Peoria, IL 61604

With a copy to:

Stephen M. Morris
Howard, Habecker & Morris, LLC
456 Fulton Street, Suite 398
Peoria, IL 61602

11. (a) AMT shall replace on a one-for-one basis at the time and place of the incident or call certain disposable supplies, (excluding drugs, medications and intermediate or advanced life support materials that are not listed on the ATTACHMENT) used by the City of Pekin Fire Department in providing

direct care and treatment of individuals. The fire department will provide AMT's personnel with a written list of materials to be re-supplied.

(b) If it is not in the best interest of the patient or crew member to replace these materials at the time of the call, then AMT agrees to supply them to Pekin Fire Headquarters within five business days of receipt of a material's used list. A list of these supplies is found in Exhibit A. Annually, the parties agree to revise Exhibit A to reflect changes in practices or materials used.

12. TPCCC has an agreement with AMT to provide dispatch services to AMT. Commencing on July 1, 2013 AMT shall pay the City the sum of forty thousand dollars (\$40,000) as one time bonus at the signing of this agreement; and in addition, AMT shall pay the sum of Fifty-five thousand dollars (\$55,000.00) to the City, per year, in 12 monthly installments, as and for its annual franchise fee, which fee shall be due and payable no later than the last day of each month. The \$55,000 per year franchise fee shall be increased beginning in 2014 by a 2.5% increase, and each year thereafter. This annual franchise fee is in addition to the annual dispatching fees paid directly to TPCCC through that existing agreement. Any adjustments made to that agreement or the related fees are separate from this agreement.

13. AMT shall provide an annual response time report and audit. The first audit shall be for the period beginning July 1, 2013 and ending December 31, 2013, and hereinafter annually. Said audit shall be due no later than one hundred eighty (180) days from the close of the calendar year, unless agreed to by the parties. AMT shall exclusively select an auditor for this purpose, which currently is provided by Clifton Gunderson-Peoria. AMT shall bear the full cost of these audit services. AMT will not hinder or delay in any way and will work with the City of Pekin, to advance to the first responder-non transport Advanced Life Support Level should the City of Pekin Fire Department have that intention. If the City of Pekin Fire Department is training to become Advanced Life Support for the purpose of not renewing this agreement, then the parties agree to negotiate conditions for training, operations and other matters as may be appropriate.

14. In the event that any provision of this Agreement is rendered invalid or unenforceable by an Act of Congress or the Illinois Legislature, or by any regulation duly promulgated by the officers or any agency in the United States or the State of Illinois acting in accordance with the law, or declared null and void by any court of competent jurisdiction, the remainder of the provisions of this Agreement shall, subject to the foregoing, remain in full force and effect.

In the event that a provision of this Agreement is rendered invalid or unenforceable or declared null and void in accordance with the aforementioned provisions or the EMS Medical Directors' advises the parties of the necessity of amending the Agreement and the removal of the provision or the necessary amendment has the effect of materially altering the obligations of either in such a manner as, in the judgment of the party affected or will cause such party to act in violation of its corporation Articles or By-Laws, the party so affected shall have the right to terminate this Agreement upon one-hundred-eighty (180) days prior written notice to the other party.

15. The City of Pekin may terminate this agreement if it finds AMT fails to cure or remedy within ninety (90) days of any failure to operate its ambulance service business in accordance with all applicable laws and regulations and this agreement as determined by the EMS Medical Director. For purposes of this Paragraph, a decision by the EMS Medical Directors are not final until all applicable appeals have been exhausted. If a conflict arises between AMT and City of Pekin, both parties will meet to come to an amicable resolution with fourteen (14) days of the problem being known and submitted in writing to both parties.

16. The City of Pekin enters into this Agreement for the purpose of receiving a franchise fee for allowing AMT to provide ambulance service to the area served by the Pekin, Illinois Fire Department. Nothing contained herein is intended to waive any defense available to either Party and it is expressly intended that the City of Pekin is entitled to raise any defense available to it by statute. Provisions of this Agreement are not intended to establish any additional duties or responsibilities beyond the statutory duties of either Party. This Agreement is not intended as a third party beneficiary agreement for any other party.

17. The Parties agree to cooperate to create necessary operating standards and protocols within twelve (12) months of the date of this Agreement.

18. The Parties agree to meet on a semi-annual basis, or more frequently, to foster the positive spirit envisioned for the parties to this agreement.

19. Separate to this Agreement, the City of Pekin will sell diesel fuel to AMT at its cost and AMT will directly reimburse the City of Pekin, accordingly.

20. AMT provides expert demand modeling services through a statistical program of systems status management. AMT agrees to staff between 2 and 3 ALS ambulance crews for the purpose of providing the services described in this agreement. The described staffing levels are expected to fluctuate as predicted demand for services is met. If AMT is not able to add additional crews to the CITY for emergency medical response, as may be necessary from time to time, AMT will notify the City Fire Department. The CITY agrees that by measuring the response time performance as described in paragraph 3, AMT is providing the staffing plan necessary to ensure the intended performance desired.

**City of Pekin,
an Illinois Municipal Corporation**

By Laurie Barra
Laurie Barra, Its Mayor

Dated June 24, 2013

**Peoria Hospitals' Mobile Medical Service, Inc., an
Illinois not-for-profit Company, d/b/a
Advanced Medical Transport of Central Illinois**

By Andrew Rand
Andrew Rand, Its CEO

Dated 7-10-2013

EXHIBIT A

Cervical Collars
Oxygen Masks
Nasal Cannulas
Bag Valve Mask
Defibrillation Patches (as required by the Pekin Fire Department) Medtronics
Electrodes
Airways and endotracheal Tubes
King Airway's
Glucagon Injector's
EPI- Pens

Standard Medications as agreed upon by both parties from time to time.

Analysis of Current Franchise Agreement with AMT

8/2021

1. On page 1, WEREAS #4 states both parties agree to cooperate fully with each other. AMT, via CEO Andrew Rand, has specifically said in a recent meeting between PFD, AMT, Peoria Area EMS, and Unity Point EMS, that AMT will not be negotiating or discussing their service with Pekin Fire Department, or any fire department for that matter.
2. On page 2, section 1(b), AMT has not provided proof of licensing status annually to any City of Pekin party as required by the agreement.
3. On page 2, section 3(a) outlines the required NFPA response times. I agree with your opinion that despite the long response times we have been dealing with, as long as in the aggregate they meet the requirements, then they are not in violation. That said, AMT has not provided any proof of response times since the initial report given to the City in 2013. Without data we have no reason to assume they are compliant, therefore I would argue that they have not met this requirement.
4. On page 3, section 3(d) states that failure to notify the dispatch center of on scene times equates to failure to meet the response time standards, and that AVL will be used to validate on scene times. We do not have access to AMT's AVL system, nor have we ever. In addition, numerous times throughout the agreement, AMT ambulances have been caught reporting that they are on scene before they actually are. We do not have proof of this, as our dispatch center does not track their on scene times, but I personally have experienced multiple times when I have asked for an ETA from the ambulance, only to be told by our dispatcher that they went on scene 30 seconds ago or something similar, which of course was false given the fact that I was on scene asking for where they were. I know many others have experienced this as well. This may be a bit anecdotal, but it does paint the picture of the level of service we are receiving.
5. On page 3, section 3(e), the agreement explicitly states we will have access to AMT's automatic vehicle location system "at all times". At no point during the contract have we had this access, to my knowledge.
6. On page 3, section 3(f), the agreement outlines penalties for failure to meet the response time standards. Given the fact that they have not provided the required data, I believe this penalty should be assessed.
7. On page 3&4, section 3(g), the agreement states that if AMT takes a PFD rider to assist during transport to Peoria, they are required to return the rider to their station "immediately" following the transport, or make arrangements to return them by private means within one hour. Multiple times since 2013 we have had firefighters stuck on an ambulance while it gets assigned to additional calls during the return trip. Sometimes this has happened multiple times throughout the return, taking the firefighter along without recourse on multiple transports. We have, at times, had to send a PFD staff person to Peoria to retrieve the firefighter ourselves.
8. On page 4, section 6 outlines the cumulative penalties for failure to provide "any" report required by this agreement. The penalties are for "each" violation, which would compound as time goes on. I believe this is not only referring to the response time report, but by saying "any" the agreement is referring to anything that is outlined as a deliverable from AMT. I believe the penalties should be assessed on the response time report AND the proof of licensure. To our knowledge, the only report that has been given to the City of Pekin is the initial six month period report in 2013.

9. On page 4, section 7 states that the parties agree to NEGOTIATE in good faith to resolve issues. On the aforementioned meeting June 17, 2021, Andrew Rand specifically and directly told me that AMT would not be negotiating with PFD or the City of Pekin regarding their handling of the PAEMS Patient Destination protocol.
10. On page 4&5, section 9 outlines the 10 year agreement and the requirements for termination of the agreement. Sentence two contains all the requirements, and it begins “after the ten-year term”. My opinion is that because the agreement clearly states the path to termination during the 10 years, the 5 year options do not have the same requirements.
11. On page 5, section 11(a) outlines the supplies restock requirements. This has not been happening for many years.
12. On page 6, section 11(b) outlines an alternate restock method. This has not happened at all to my knowledge.
13. On page 6, section 12 outlines the franchise fees due to the City of Pekin, and that this fee is in addition to any fees owed to TPCCC. As you may know, AMT refused to pay their dispatch fees for several years, only recently coming to an agreement with TC3. AMT’s rationale for refusal has alternated between “that’s what we pay the City of Pekin for” and “TPCCC is gone so we don’t have to pay anyone”. In AMT’s Peoria agreement, the fees owed to Peoria do say they are for dispatching, so they are using Peoria’s agreement as their rationale for reason #1. Reason #2 of course is nonsense, given the fact that TC3 is the successor organization to TPCCC.
14. On page 6, section 13 outlines the requirements for their response time reports. The only report we know to have received is the one due 12/31/2013.
15. On page 6, section 13 also states that AMT will not hinder or delay potential upgrade to ALS service. I add this only as a heads up, given our current plans. They have over the years been quite the hindrance to Peoria FD doing the same, so this is more of a warning for all.
16. On page 7, section 15 states that if AMT fails to operate according to all applicable laws and regulations, etc.... AMT has been misusing and disregarding their own EMS system protocol regarding patient destination. This protocol carries regulatory weight and is in line with NEMSIS requirements for patient destination preference.
17. On page 8, section 20 states AMT agrees to provide 2-3 ambulances for the purposes of providing the services outlined in this agreement (providing ALS transport in the area served by the Pekin Fire Department per section 1(a)). AMT staffs 2-3 ambulances for the ENTIRE Pekin market, which serves Creve Coeur, Marquette Heights, North Pekin, South Pekin, Delevan, unincorporated Cincinnati Township, Timber Township in south Peoria County, and Hollis Township in south Peoria County. While it is reasonable that the 2-3 ambulances aren’t always in Pekin due to transporting to Peoria, the additional jurisdictions served should require additional ambulances, and not use the 2-3 that are mandated for the Pekin Fire Department area. Tom Geraci, formerly AMT’s COO, told both Chief Reese and myself in a meeting on June 21, 2021, that the response times problems would be solved “if we just added a 4th ambulance to the market, but we aren’t gonna do that”.



Mark Rothert
City Manager
111 S. Capitol St.
Pekin, IL 61554
309-477-2300
mrothert@ci.pekin.il.us

October 1, 2021

Andrew Rand
Chief Executive Officer
Advanced Medical Transport
1718 North Sterling Avenue
Peoria, IL 61604

Subject: Breach of AMT's obligations under the Agreement Between Peoria Hospitals' Mobile Medical Services, Inc. (d/b/a Advanced Medical Transport of Central Illinois) and the City of Pekin ("City"), entered into July 1, 2013 (hereafter the "Agreement")

Dear Mr. Rand:

This letter is to inform you that the City of Pekin finds that Advanced Medical Transport of Central Illinois (hereafter "AMT") is in breach of the attached Agreement in the following ways:

1. Section 1(a) states that AMT "shall comply with the Illinois Medical Services Act, the rules and of the Illinois Department of Public Health ("IDPH") 77 Ill. Adm. Code Section 515.800 et. seq...".

ISSUE #1: The City feels that changes to the "Destination Policy" in the last year have seemingly directed patients to be taken primarily to Pekin Hospital which runs counter to EMS protocols adopted by the Peoria Area EMS, where, when not medically necessary, the destination of any ambulance transport is at the preference of the patient.

The parties and associated medical directors need to come to consensus and follow any adopted destination policy.

2. Section 1(b) states that, "...at least annually, AMT shall provide the City with copies of any applications or filings pertaining to licenses and renewals of licenses directly related to operations for the City of Pekin within thirty (30) days after they are filed.

ISSUE #2: The City interprets this section of the Agreement to refer to Vehicle Service Provider Licensure as referenced by Section 515.800 of the Illinois Administrative Code and Ambulance Licensing Requirements as referenced by Section 515.830 of the Illinois Administrative Code. Since the start of the Agreement, AMT has never provided any documentation of licensing under these codes to the City.

According to Section 515.800 of Title 77 of the Illinois Administrative Code, An application for a Vehicle Service Provider license shall be submitted to the Illinois Department of Public Health and renewed every four years.

According to Section 515.830 of Title 77 of the Illinois Administrative Code, each new ambulance vehicle shall be licensed through the Illinois Department of Public Health (“IDPH”).

Please provide the City with any applications or filings for licensing or renewals which are directly related to operations for the City of Pekin, going back to 2013.

3. Section 3(a) identifies certain performance metrics via response times. Namely, 90% of all Priority 1 emergency calls will be responded to within 10 minutes. All non-life-threatening Priority 2 calls will be responded to within 12 minutes for 90% of the time.

Section 3(d) states that “automatic vehicle location records will be used to validate ‘on-scene’ times.” Section 3(e) states that the City “shall be provided access to AMT’s AVL monitoring system at all times.”

ISSUE #3: Since the start of the Agreement, AMT has never provided access to its AVL monitoring system to the City of Pekin.

Please provide the City with access to AMT’s AVL monitoring system.

4. Section 3(f) states that “For any year AMT fails to meet the annual, cumulative response time measurement at least 90% of the time for Priority 1 calls, as determined by AMT’s auditor, AMT would be assessed a penalty of \$25,000 per year.” Section 13 calls for AMT to provide an annual response time report and audit.

ISSUE #4: Since the City does not have access to AMT’s AVL monitoring system, it cannot verify performance metrics provided in annual reports received on 9/7/2021, which are only summary in nature.

Please supply the City with any supporting data to substantiate the annual response time reports.

5. Section 3(g) addresses the utilization of Pekin firefighters as ‘additional personnel’ to assist AMT on medical emergency calls and accompany an AMT ambulance to an external hospital (e.g. in Peoria). “If circumstances prevent AMT from returning the Firefighter to their station immediately following the transport, AMT will make arrangements to transport by private means the City’s employee back to their station within one hour at its cost.”

ISSUE #5: There have been several instances where a Pekin Firefighter has served in an “additional personnel” capacity and rode over to a Peoria hospital, only to be left waiting over an hour to get back to Pekin. In those instances, Pekin firefighters have often arranged for their own transportation back to their duty stations.

Please return any assisting Pekin Firefighter back to their duty station in a prompt manner as required by the Agreement.

6. Section 6 states that “If AMT fails to provide any report required by this Agreement within (30) thirty days of the due date of that report, AMT shall be assessed a penalty for each violation, in the amount of \$100 per day thereafter, until that report is received by the City of Pekin.”

ISSUE #6: The annual response time audit reports and the annual licensing information all constitute required reports to the City. These reports, however, were provided late (e.g. audit reports on 9/7/2021) or never at all (e.g. licensing information). Below is a chart outlining the penalty assessment for only the late audit reports:

Annual Response Time Audit Report

Reporting Period	Reporting Due Date	Per Day Penalty Due Date (+30 from reporting due date)	Report Submission Date	Penalty Timeframe	Days Late	Penalty Rate per Day	Penalty
7/1/2013 12/31/2013	6/30/2014	7/30/2014	2014	N/A	N/A	N/A	N/A
1/1/2014 12/31/2014	6/30/2015	7/30/2015	9/7/2021	7/31/2015-9/7/2021	2231	\$100	\$223,100
1/1/2015 12/31/2015	6/30/2016	7/30/2016	9/7/2021	7/31/2016-9/7/2021	1865	\$100	\$186,500
1/1/2016 12/31/2016	6/30/2017	7/30/2017	9/7/2021	7/31/2017-9/7/2021	1500	\$100	\$150,000
1/1/2017 12/31/2017	6/30/2018	7/30/2018	9/7/2021	7/31/2018-9/7/2021	1135	\$100	\$113,500
1/1/2018 12/31/2018	6/30/2019	7/30/2019	9/7/2021	7/31/2019-9/7/2021	770	\$100	\$77,000
1/1/2019 12/31/2019	6/30/2020	7/30/2020	9/7/2021	7/31/2020-9/7/2021	404	\$100	\$40,400
1/1/2020 12/31/2020	6/30/2021	7/30/2021	9/7/2021	7/31/2021-9/7/2021	39	\$100	\$3,900
1/1/2021 12/31/2021	6/30/2022	7/30/2022	9/7/2021	N/A	N/A	N/A	N/A

TOTAL
Penalty
Assessment **\$794,400**

Please remit payment to the City per Section 6 of the Agreement, “within 30 (thirty) days of receipt of penalty assessment.”

7. Section 20 states that “AMT agrees to staff between 2 and 3 ALS ambulance crews for the purpose of providing the services described in this agreement.”

ISSUE #7: Without access to AMT’s AVL monitoring system, the City cannot determine if 2 to 3 ambulance crews are being dedicated to serve the area covered by Pekin Fire Department. The intent of the Agreement is to have these 2-3 crews dedicated to the City of Pekin and only serve the areas that the City of Pekin Fire Department serves, not to serve all of AMT’s self-designated “Pekin Market” which covers other municipalities in Tazewell County and stretches across the Illinois River into Southern Peoria County. There have been at least two instances in the last month where the Pekin Fire Department experienced AMT response times in excess of 30 minutes, and we are told it was because an ambulance had to be sent from Peoria.

Please immediately discontinue using ambulances dedicated to Pekin pursuant to the Agreement to service surrounding areas and ensure that 2 – 3 ambulances are always available to service the area served by the Pekin Fire Department as required by the Agreement.

The City and AMT have enjoyed a long-standing partnership. The issues noted herein ultimately affect the performance of both organizations and the overall service being provided, which our citizens expect at a high level. If AMT fails to correct the issues identified in this letter within 90 days, the City of Pekin will exercise its right under paragraph 15 to terminate this Agreement.

As the City’s contracted emergency medical transportation provider, we rely heavily on AMT’s expertise and professionalism to bring a vital service to our community. We are confident we can come to resolution on all these points above and look forward to working together for the betterment of our community.

Sincerely,



Mark Rothert
City Manager

Attachment: Franchise Agreement (2013)



October 15, 2021

Sent via U.S. Mail and E-Mail

City Manager and Corporation Counsel
City of Pekin
111 South Capitol Street
Pekin, IL 61554

Fire Chief
City of Pekin Fire Department
3232 Court Street
Pekin, IL 61554

RE: AMTCI / City of Pekin, Illinois Agreement

Gentlemen:

In response to your 10-1-21 letter and pursuant to Paragraph 15 of the Agreement, I again offer to meet to seek an amicable resolution. Please advise as to your available dates and times in that I remain ready, willing, and able to meet per the Agreement.

Thank you.

Respectfully,

Greg Chance
Interim CEO



Mark Rothert
City Manager
111 S. Capitol St.
Pekin, IL 61554
309-477-2300
mrothert@ci.pekin.il.us

December 16, 2021

Andrew Rand
Chief Executive Officer
c/o Greg Chance
Advanced Medical Transport
1718 North Sterling Avenue
Peoria, IL 61604

Subject: Formal Notice of Termination of Agreement

Dear Mr. Rand:

On June 24, 2013 via Ordinance No. 2686-13/14, the City of Pekin approved entering into a franchise agreement (the "Agreement") with the Peoria Hospital's Mobile Medical Services, Inc., an Illinois not-for-profit Company, d/b/a Advanced Medical Transport of Central Illinois. The term of this Agreement is for ten (10) years, ending on June 30, 2023, having two five (5) year options to extend its life.

In recent months our two organizations have been discussing the Agreement and see a need for overall improvements to the document. Both entities agreed that terminating the existing agreement and negotiating a new and updated one would be in the best interest of both parties.

Ending the agreement starts when one party provides notice of termination "at least one year prior to January 1st of the year in which the party intends to terminate the agreement." The Pekin City Council voted on Monday December 13, 2021 to formally send a notice of termination (ordinance attached). The City wishes to honor the original term of the agreement and terminate it on July 1, 2023. One year prior to January 1st of 2023 is January 1st of 2022.

Please accept this letter as a formal notice of termination of the Agreement, with said termination taking effect on July 1, 2023. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Mark Rothert".

Mark Rothert
City Manager

Attachment: Ordinance 3042-21/22 – Agreement Termination with Peoria Hospitals' Mobile Medical Services Inc.

Ordinance No. 3042-21/22

Agreement Termination with Peoria Hospitals' Mobile Medical Services Inc.

WHEREAS, the City of Pekin is a home rule municipality as described in Section 6(a), Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, the City of Pekin, as a home rule municipality, may exercise power and perform any function pertaining to its government and affairs, including, but not limited to, the power to legislate for the protection of the public health, safety, and welfare; and

WHEREAS, on June 24, 2013 via Ordinance No. 2686-13/14, the City of Pekin approved of entering into a franchise agreement (the "Agreement") with the Peoria Hospital's Mobile Medical Services, Inc., an Illinois not-for-profit Company, d/b/a Advanced Medical Transport of Central Illinois; and

WHEREAS, the Agreement went into effect as of July 1, 2013; and

WHEREAS, the term of the Agreement is for ten (10) years, ending on June 30, 2023, and having two five (5) year options to extend its life; and

WHEREAS, in recent months, organizational leaders from both the City of Pekin and Advanced Medical Transport of Central Illinois have been discussing the Agreement and see a need for improvements to make it work more effectively for the parties involved; and

WHEREAS, both entities agree that terminating the existing agreement and negotiating a new and updated one would be in the best interest of both organizations; and

WHEREAS, Section 9 of the Agreement states that termination starts when one party provides notice of termination to the other "at least one year prior to January 1st of the year in which the party intends to terminate the agreement"; and

WHEREAS, the City wishes to fulfill the original term of the agreement and terminate it on July 1, 2023; and

WHEREAS, one year prior to January 1st of 2023 is January 1st of 2022; and

WHEREAS, Section 9 of the Agreement is also contradictory by stating that after notice is received, the "agreement will terminate (12) twelve months after written notice to the other of its intent to terminate the agreement."

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEKIN, TAZEWELL COUNTY, ILLINOIS, THAT:


Section 1. The findings and recitations set forth above are adopted and found to be true and correct.

Section 2. The City of Pekin shall provide a notice of termination to terminate the Agreement to the Peoria Hospital's Mobile Medical Services, Inc., an Illinois not-for-profit Company, d/b/a Advanced Medical Transport of Central Illinois by December 31, 2021.

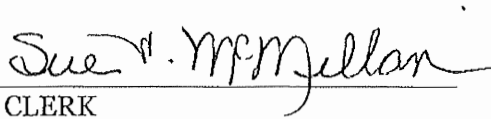
Section 3. Such termination of the Agreement shall take effect on July 1, 2023, not twelve (12) months after written notice is provided by the City.

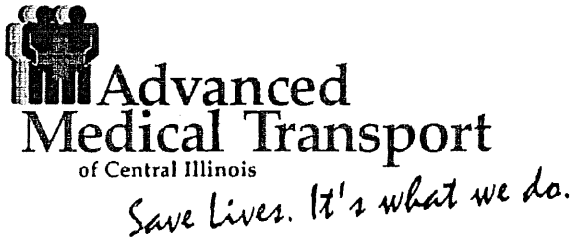
RESULT: ADOPTED [UNANIMOUS]
MOVER: Rick Hilst, Councilman
SECONDER: Becky Cloyd, Councilwoman
AYES: Hilst, Hohimer, Nutter, Cloyd, Orrick, Abel, Luft

ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Pekin this 13th day of December, 2021.


MAYOR

ATTEST:


CITY CLERK



December 21, 2021

Mr. Mark Rothert
City Manager
111 S. Capitol Street
Pekin, IL 61554

RE: October 1, 2021 “Breach Letter”

Dear City Manager Rothert:

While meetings and telephone calls have occurred since your letter to discuss those claims, we write to formally respond to your October 1, 2021 correspondence. For clarity sake, we will reference your letter’s numbered paragraphs.

1. AMT has been and will remain in compliance with protocols established by EMS Medical Director, Dr. Matthew Jackson, in relation to transporting patients to respective local facilities. As you are aware, there are many factors (e.g., level of care needed) that go into which facility a patient is taken beyond patient choice. Regardless, out of an abundance of caution, we instituted “re-training” in this regard. While the genesis of this issue is unclear, we are unaware of such complaints directly from any patients.
2. See attached. We have provided these documents to fire chief every year as the key point of contact. We gave him the copies for both the city manager and the city attorney. It should be noted that there have been five different city managers during the term of this Agreement.
3. We disagree with your interpretation of these sections of the Agreement. These sections do not reference information to which the City of Pekin is entitled. Rather,

this information is to be available (and has been so) to AMT's auditors who in turn determine compliance with such response metrics.

4. It is our position that Pekin agreed to an independent, third-party auditor (CliftonLarsonAllen) to validate AMT's data in this regard. The auditor analyzes a random sample of the calls provided and, in part, uses AVL data to verify its findings. See the table below which lists the date of the Independent Auditors' Report(s). As previously mentioned, it was our understanding that these reports were provided to Pekin representatives (fire chief) on or near the dates set forth and the reports included the Response Time Report documents.

Year	CLA Report Dated
2013	6/10/2014
2014	5/1/2015
2015	4/4/2016
2016	3/16/2017
2017	4/5/2018
2018	4/2/2019
2019	3/31/2020
2020	3/30/2021

These reports have been timely, thorough, and not questioned or criticized by Pekin representatives.

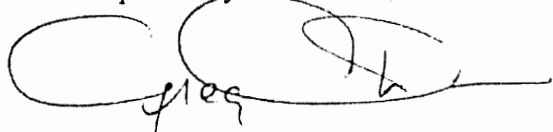
5. Our investigation revealed this claimed situation has occurred very infrequently, is de minimus in nature, and is largely out AMT's control (e.g., wait times for admissions at hospitals). Regardless, we apologize for any inconvenience and have engaged in re-training of our personnel on this point.
6. We dispute that there is a breach in this regard and further dispute that any money is due to Pekin. AMT has provided these annual reports and related information (see also response to paragraph number 4 above). Your letter also references annual licensing information in this paragraph. We have provided those with this letter. We respectfully disagree that the annual reporting requirement includes this particular type of information.
7. The Agreement (see paragraph number 20) states "AMT agrees to staff between 2 and 3 ALS ambulance crews***." AMT has met this condition. The Agreement does not state unit hours, locations, or anything else specifically. However, it does provide that "[t]he described staffing levels are expected to fluctuate as predicted demand for services is met." Importantly, AMT acts as its own mutual aid provider

to Pekin. It also serves as a mutual aid provider to many surrounding areas as well. Nothing in the Agreement requires from AMT what you have alleged in this paragraph. The Agreement requires AMT to meet certain NFPA standards and AMT has met, and will continue to meet, those requirements in providing affordable and high-quality emergency transport services to Pekin's residents.

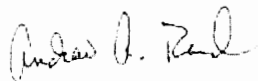
In summary, this letter was generated in a spirit of good will, cooperation, and in a genuine effort to resolve any lingering dispute. It must be noted though that the Agreement requires the Parties to negotiate in good faith to resolve issues that may arise***. We would suggest that sitting quietly and waiting years to raise a claim(s) does not comply with the section. Since the onset of the Covid pandemic all healthcare providers have been under tremendous added stress and have required modifications to their otherwise normal processes. AMT has been no exception. Despite this, we have continued to provide the highest level of service to the City of Pekin.

AMT has invested millions of dollars in the Pekin area community. From providing the community with free AED's, building a state-of-the-art facility to donating equipment to the fire department, we have been a good and valuable partner and intend to continue as such. AMT has quickly, safely, and skillfully transported thousands of Pekin residents in need of life saving care since the onset of this Agreement. We trust this response is sufficient but welcome the opportunity to continue to meet and confer to address any outstanding concerns Pekin may have with AMT's service and delivery model.

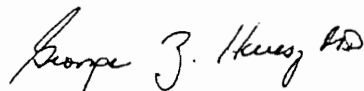
Respectfully submitted,



Greg Chance, Vice-President, AMT



Andrew Rand, CEO of AMT



George Hevesy, M.D. FACEP
Chairman, AMT, Inc. Board of Directors

Enclosures – IDPH licensure

Cc: Trent Reise, Fire Chief

Analysis of AMT Letter 2-18-2022

1. AMT has NOT been in compliance with PAEMS protocols. They have repeatedly refused to transport patients to the hospital of their choice, without giving them the option of being transported to their destination of choice. This is in direct conflict with the PAEMS policy regarding patient destination. Their reasons for not transporting patients to hospitals other than Pekin Hospital have been numerous and quite creative, ranging from blaming COVID to telling patients it is against the law, all of which directly violate the established PAEMS patient destination policy. This issue has been addressed with AMT multiple times in the past several years, with a specific focus since May of 2020. I find their response to this item to be patently false and disingenuous in nature.
2. We have searched the Fire Department's records and records at City Hall for any proof of AMT providing the licenses required by the franchise agreement, including a search of Kurt Nelson's email account. We have found no evidence of AMT ever complying with section 1(b) of the franchise agreement, and AMT has offered no proof that they have. What they do offer is a diversion that there have been five City Managers in Pekin since the beginning of the agreement.
3. Section 3(e) of franchise agreement states "The City of Pekin shall be provided access to AMT's AVL monitoring system at all times". This a section which has no alternate interpretation, it is plainly stated. Their response to this item questions the WHY we feel we need access to their AVL system, which they are free to do. Despite any potential disagreement over why we feel we need access, the fact remains the agreement states in plain English that the City of Pekin shall be provided with access to AMT's AVL monitor system at all times. AMT agreed to this stipulation when the agreement was signed, and has failed to comply with this section in any manner.
4. See item #2 above. Regarding the annual reports, the only report found has been the initial six month period report, which was found at City Hall with the City Clerk, as the City's official keeper of records. AMT provided the date when the reports were given to them by their third party auditor, but not proof that AMT or their third party auditor ever gave them to the City of Pekin. AMT did eventually provide all the reports from the past years on 9/7/2021, however this does not absolve them of the responsibility to comply with the date sensitive portion of this section and/or offer proof that they have already complied with the same.
5. I agree with this assessment.
6. See #2 and #4. They have offered no proof of compliance in the past. They have offered records in 9/2021 and with their response on 12/21/2021, but have offered no proof that they have been given over to the City of Pekin on the timeline required by the franchise agreement.
7. Their response to this item includes a quote from the agreement that stops at a particularly convenient point in the sentence "AMT agrees to staff between 2 and 3 ALS ambulance crews". Had they continued, the quote would read "for the purpose of providing the services described in this agreement". The services described in this agreement are "AMT shall have a non-exclusive franchise right to supply ambulance service within the area served by the Pekin, Illinois Fire Department and AMT shall in fact provide ambulance service within the same area". AMT has historically provided 2-3 ambulances for their entire "Pekin Market" which includes areas such as North Pekin, Marquette Heights, South Pekin, Schaefferville, Cincinnati Township, Delevan, and Timber-Hollis and Tuscarora Fire Protection Districts in south Peoria County. Their interpretation of the agreement is that they have complied by reason of having 2-3 ambulances

staffed from their Pekin base. We continue to assert that the agreement for staffing 2-3 ambulance applies ONLY to the area served by Pekin Fire Department, which is as the agreement states. This has become an issue because of the numerous and more frequent long response times for ambulances within the Pekin FD area. This issue, amongst others, was discussed in a meeting on June 21, 2021 between Chief Reeise and D/C Rendleman from PFD and Tom Geraci and Jen Fleming from AMT. In response to this concern, Mr. Geraci offered that AMT could take care of this issue easily if we just put on a 4th ambulance, but that isn't going to happen. This shows evidence that they have internally acknowledged the response time deficiencies in the Pekin market. Despite this, they have continued with a staffing model which is based on faulty interpretation of a wider service area with regard to the 2-3 ambulances.

Their closing paragraphs are what I find to be the most troubling portion of their response. They state that their response is in the spirit of good will, cooperation and in a genuine effort to resolve any lingering dispute. They also highlight that we agreed to negotiate in good faith. From there, they launch directly into an attack on the City of Pekin, accusing us of "sitting quietly and waiting years to raise claims". From the beginning of Chief Reeise's tenure, initially as Deputy Chief and Interim Chief, he has been attempting to solve some of these issues. The destination policy issue has gone through Unity Point EMS and eventually Peoria Area AMS before AMT would ever even acknowledge the concern. When the concern was finally acknowledged, it was done in a dismissive manner where our personnel and Dr. Andrew Jackson from PAEMS were quite literally laughed at by senior AMT leadership. They talk of good will, genuine effort, and good faith, and accuse the City of sitting quietly and waiting, while all along they know that attempts have been made to resolve the destination issue. Their handling of the destination issue, from the beginning, has been what has brought the relationship between the City of Pekin and AMT to a breaking point. It should also be pointed out that in good faith, the City of Pekin has presented our Mayor, City Manager, Fire Chief, and Deputy Fire Chief during discussions with AMT. AMT has yet to present their true CEO at the constructive meetings, choosing only to employ him at meetings where the audience is controlled and the spirit of cooperation is nowhere to be found. The final paragraph is another diversion. The AEDs they provided to community locations have long since expired. Their state of the art ambulance facility is great for their employees, but does not directly affect the quality of care they perform from their ambulances. There has been cooperation between AMT and PFD on the street-level with equipment and training; however, I would suggest that this cooperation has occurred in spite of AMT's overall performance within the City, and not because of it. As a Not For Profit, AMT has to engage in community based efforts such as this in order to comply with Federal law and the inclusion of this in their response appears to be an attempt to make the City of Pekin feel special, when in reality they are just acting in compliance with the law.

Overall, we find the tone of their response to be dismissive and accusatory. Their outright denial of several of the issues we have raised is particularly concerning, and I question the alleged good will and cooperation with which they claim to be acting.



Mark Rothert
 City Manager
 111 S. Capitol St.
 Pekin, IL 61554
 309-477-2300
 mrothert@ci.pekin.il.us

February 18, 2022

Andrew Rand
 Chief Executive Officer
 c/o Greg Chance
 Advanced Medical Transport
 1718 North Sterling Avenue
 Peoria, IL 61604

Subject: Follow-up & Response to AMT's December 21, 2021 Letter

Dear Mr. Rand:

Thank you for your response to the City's October 1, 2021 letter notifying AMT of its breach of the Agreement. Apologies for the delay in a reply but it has been a busy start to the new year for the City. The City would like to respond to AMT's points (**in bold**) with the following:

1. **AMT has been and will remain in compliance with protocols established by EMS Medical Director, Dr. Matthew Jackson, in relation to transporting patients to respective local facilities. As you are aware there are many factors (e.g., level of care needed) that go into which facility a patient is taken beyond patient choice. Regardless, out of an abundance of caution we instituted "re-training" in this regard. While the genesis of this issue is unclear, we are unaware of such complaints directly from any patients.**

City of Pekin Response: PAEMS policy states the following:

If the patient elects to be transported they should be transported to the closest appropriate hospital. A patient (or the patient's *Power of Attorney for Healthcare*) does have the right to make an informed decision to be transported to their hospital of choice. Bypassing the nearest hospital to respect the patient's hospital choice is a decision based on medical benefits and associated risks and should be made in accordance with:

1. Urgency of care and risk factors based on:
 - Mechanism of injury (physiologic factors)
 - Perfusion status and assessment findings (anatomical factors)
 - Transport distance and time (environmental factors)
2. Medical Control consultation
3. Capacity of the nearest facility or facility of choice

4. Available resources of the transporting agency
5. Traffic and weather conditions

Given the variables above, the City acknowledges that the decision-making process for determining the destination is not an easy one to make for each call or patient. However, the Pekin Fire Department is aware of situations where AMT refused patient requests to be transported to a Peoria hospital even though the patients were not in an acute medical emergency and could ostensibly go to a hospital in Peoria. While the City wishes that all patients would use the local hospital for treatment, we know that is not always possible. Where Pekin residents communicate a preference to be transported to Peoria for treatment, we advocate for their choice to be honored, within the parameters of the PAEMS protocols. We acknowledge the efforts AMT has made on this issue and are pleased with the overall direction of these changes.

2. **See attached. We have provided these documents to fire chief every year as the key point of contact. We gave him the copies for both the city manager and the city attorney. It should be noted that there have been five different city managers during the term of this Agreement.**

City of Pekin Response: Thank you for providing copies of AMT's licensing from 2012-present with your letter. The Fire Department has extensively searched its records and records at City Hall for copies of AMT's licensing, including a search of Former Fire Chief Kurt Nelson's email account and city managers' files. No reports or evidence were discovered in such a search of AMT licenses as it relates to Section 1(b) of the franchise agreement. Since the City had no record of these documents until your 12/21/2021 response, the City considered them a required report/document that was late, with a penalty applicable per Section 6 of the franchise agreement if "any report" was not provided. At the end of the day though, the City accepts that a licensing document is not a "report" providing information, but rather a formal document providing evidence or proof of something. We therefore consider this issue resolved.

3. **We disagree with your interpretation of these sections of the Agreement. These sections do not reference information to which the City of Pekin is entitled. Rather, this information is to be available (and has been so) to AMT's auditors who in turn determine compliance with such response metrics.**

City of Pekin Response: Section 3 of the franchise agreement generally speaks to AMT's response times in relation to providing service in the primary response area, the area served by the Pekin Fire Department.

Section 3(d) of the franchise agreement states that "automatic vehicle location records will be used to validate 'on-scene' times and will provide acceptable documentation for response time results should the crew inadvertently fail to notify the dispatcher when 'on-scene,' or when the data messaging network experiences a weak signal and does not throughput the electronic message." This section of the franchise agreement is silent on what entity AMT is providing such "acceptable documentation" to validate response time results. Since Section 13 of the franchise agreement relates directly to an annual response time report and audit prepared by a

third-party auditor, it make sense that documentation would be sent to that entity. The City concurs with AMT on this point.

However, Section 3(e) of the franchise agreement states “The City of Pekin shall be provided access to AMT’s AVL monitoring system at all times.” The City finds no other way to read or interpret this clause, as the language could not be more clear. Despite this clear directive, AMT has never provided the City access to its AVL monitoring system. Not only would access allow the City to help validate response times, such access would greatly assist operations of the Pekin Fire Department to:

- Know the location and availability of availability of AMT units.
- Determine the need for mutual aid emergency transportation in situations with multiple patients.
- Prioritize response to calls. This is particularly important as the Pekin Fire Department has recently experienced its highest annual call volume ever. Being able to prioritize calls based on need and available resources from AMT will become essential to effectively responding to all various types of calls throughout the service area that the fire department covers, as call volume remain high or increase.
- Allow the Fire Department to better control incident command within the city.

The City therefore reiterates its request for access to AMT’s AVL monitoring system, in accordance with Section 3(e) of the franchise agreement.

4. **It is our position that Pekin agreed to an independent third-party auditor (CliftonLarsonAllen) to validate AMT's data in this regard. The auditor analyzes a random sample of the calls provided and, in part uses AVL data to verify its findings. See the table below which lists the date of the Independent Auditors' Report(s). As previously mentioned; it was our understanding that these reports were provided to Pekin representatives (fire chief) on or near the dates set forth and the reports included the Response Time Report documents.**

Year	CLA Report Dated
2013	6/10/2014
2014	5/1/2015
2015	4/4/2016
2016	3/16/2017
2017	4/5/2018
2018	4/2/2019
2019	3/31/2020
2020	3/30/2021

These reports have been timely, thorough, and not questioned or criticized by Pekin representatives.

City of Pekin Response: The Fire Department has extensively searched its records and records at City Hall for copies of the annual response time reports and audits, including a search of Former Fire Chief Kurt Nelson’s email account and city managers’ files. The only report found has been the initial six month period report for 2013. The City received no further

reports from AMT until September 7, 2021, when the 2014 through 2020 reports were emailed to myself and Pekin's Mayor.

AMT claims that Response Time Reports were provided to the Pekin representative (fire chief). However, since his appointment as Fire Chief in 2020, Chief Reeise has not received the 2019 response report audit (due in 2020), nor did he receive the 2020 response report audit (due in 2021), from either AMT or CliftonLarsonAllen. Again, the City received these reports for the first time on September 7, 2021.

Regardless, Section 10 of the Agreement clearly states that all notices required under the Agreement must be sent to the City Manager and Corporation Counsel with a *copy* to the Fire Chief. Thus, sending the reports only to the Fire Chief is insufficient under the Agreement.

Even if we generously assume that AMT provided the reports from 2014 through 2018 to former Chief Nelson, and that those reports were then somehow lost or discarded, that still leaves the 2019 and 2020 reports being overdue. Section 6 of the franchise agreement states that "If AMT fails to provide any report required by this Agreement within (30) thirty days of the due date of that report, AMT shall be assessed a penalty for each violation, in the amount of \$100 per day thereafter, until that report is received by the City of Pekin." The City calculates the late penalty for 2019 and 2020 reports to be the following:

Reporting Period	Reporting Due Date	Reporting Grace Period (no penalty accrual; +30 days from reporting due date)	Report Submission Date	Penalty Timeframe	Days Late	Penalty Rate Per Day	Penalty
1/1/2019 - 12/31/2019	6/30/2020	7/30/2020	9/7/2021	7/31/2020 - 9/6/2021	402	\$100	\$40,200
1/1/2020 - 12/31/2020	6/30/2021	7/30/2021	9/7/2021	7/31/2021 - 9/6/2021	37	\$100	\$3,700

Total Penalty Owed \$43,900

Please remit payment to the City per Section 6 of the franchise agreement.

5. **Our investigation revealed this claimed situation has occurred very infrequently, is de minimus in nature, and is largely out AMT's control (e.g., wait times for admissions at hospitals). Regardless, we apologize for any inconvenience and have engaged in re-training of our personnel on this point.**

City of Pekin Response: The City agrees that this is an infrequent issue and appreciates AMT's attention to the matter and considers it effectively addressed/resolved.

6. **We dispute that there is a breach in this regard and further dispute that any money is due to Pekin. AMT has provided these annual reports and related information (see also response to paragraph number 4 above).**

City of Pekin Response: See City's response to #4 above.

Your letter also references annual licensing information in this paragraph. We have provided those with this letter. We respectfully disagree that the annual reporting requirement includes this particular type of information.

City of Pekin Response: See City's response to #2 above.

7. **The Agreement (see paragraph number 20) states "AMT agrees to staff between 2 and 3 ALS ambulance crews***." AMT has met this condition. The Agreement does not state unit hours, locations, or anything else specifically. However, it does provide that "[t]he described staffing levels are expected to fluctuate as predicted demand for services is met." Importantly AMT acts as its own mutual aid provider to Pekin. It also serves as a mutual aid provider to many surrounding areas as well. Nothing in the Agreement requires from AMT what you have alleged in this paragraph. The Agreement requires AMT to meet certain NFPA standards and AMT has met, and will continue to meet, those requirements in providing affordable and high-quality emergency transport serves to Pekin s residents.**

City of Pekin Response: Section 20 of the franchise agreement states the following:

“AMT agrees to staff between 2 and 3 ALS ambulance crews for the purpose of providing the services described in this agreement.” (emphasis added)

The “services described in this agreement” are found in Section 1 whereby it states that:

- (a) “AMT shall have a non-exclusive franchise right to supply ambulance service within the area served by the Pekin, Illinois Fire Department and AMT shall in fact provide ambulance service within the same area.”
- (b) “AMT shall provide ambulance service to the entire area served by the Pekin, Illinois Fire Department, including territory, which may be annexed to the City during the term of this Agreement.”

The area served by the Pekin Fire Department includes the City of Pekin, as well as the Brush Hill and Powerton Fire Protection Districts. However, it is the City's understanding that AMT has historically provided 2-3 ambulances for its entire “Pekin Market” which includes areas not in the City of Pekin service area such as North Pekin, Marquette Heights, South Pekin, Schaefferville, Cincinnati Township, Delevan, and Timber-Hollis and Tuscarora Fire Protection Districts in south Peoria County.

The City's position remains that the franchise agreement calls for staffing 2-3 ambulances exclusively for the area served by Pekin Fire Department, which is the service area specified in the agreement. Access to AMT's AVL monitoring system would help the City and AMT track this requirement. Please confirm that AMT will station 2-3 fully staffed ambulances exclusively in the City of Pekin service area (City of Pekin, plus Brush Hill and Powerton Fire Protection Districts) at all times in between patient calls.

In summary, this letter was generated in a spirit of good will, cooperation, and in a genuine effort to resolve any lingering dispute. It must be noted though that the Agreement requires the Parties to negotiate in good faith to resolve issues that may arise***. We would suggest that sitting quietly and waiting years to raise a claim(s) does not comply with the section. Since the onset of the Covid pandemic all healthcare providers have been under tremendous added stress and have required modifications to their otherwise normal processes. AMT has been no exception. Despite this, we have continued to provide the highest level of service to the City of Pekin.

AMT has invested millions of dollars in the Pekin area community. From providing the community with free AED's, building a state-of-the-art facility to donating equipment to the fire department, we have been a good and valuable partner and intend to continue as such. AMT has quickly, safely, and skillfully transported thousands of Pekin residents in need of life saving care since the onset of this Agreement. We trust this response is sufficient but welcome the opportunity to continue to meet and confer to address any outstanding concerns Pekin may have with AMT s service and delivery model.

City of Pekin Response: As has been mentioned, there has been some turnover of key personnel at the City of Pekin over the last several years. Such changeover has presented an opportunity to re-examine the services provided to our citizens and residents. Contrary to any suggestion otherwise, the City has not sat idly by, but has actively spent the last several years fine-tuning our organization and taking proactive steps to look at services levels in various programs and departments. Our goal has been to foster efficiencies where possible and strive for high quality service delivery to our citizens and residents, which may from time to time require that we examine all of our service contracts and agreements, including the AMT franchise agreement. This is to hold parties accountable and derive the benefits from agreements that were mutually agreed upon.

In summary the following issues still remain unresolved:

- Access to AMT's AVL monitoring system (#3 above);
- Penalty Fee for Late 2019 and 2020 Response Time Reports (#4 above); and
- Minimum ambulance crews in area served by Pekin Fire Department (#7 above).

We look forward to your continued cooperation in bringing these issues to resolution.

Sincerely,



Mark Rothert
City Manager



May 10, 2022

Mark Rothert
City Manager
111 S. Capitol Street
Pekin, Illinois 61554

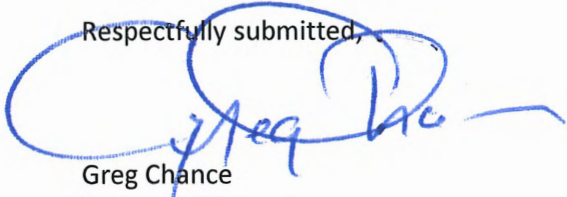
Re: Franchise Agreement

Dear Mr. Rothert:

I am writing in response to your February 18, 2022, correspondence. First, AMT genuinely appreciates Pekin's continued willingness to work toward a reasonable and amicable resolution of the few remaining issues. To that end, and again referring to the same numbers, it appears that Paragraphs 1, 2, 5, and 6 are now resolved or are no longer concerns and, therefore, we will not re-address them now. While the contentions contained in Paragraph 4 remain in dispute, AMT sees value in putting this behind both Parties. Therefore, enclosed please find a draft for \$43,900 representing complete satisfaction of any and all money claims relating to "penalties for untimely reporting" as well as any other financial claims the City of Pekin may now or in the future assert against AMT for anything allegedly done or failed to have been done by AMT in relation to the City of Pekin franchise agreement and/or services provided thereunder through today's date. Nothing herein shall be construed as admission of liability by AMT, but rather a purchase of the peace and an exhibition of goodwill.

The issues in Paragraphs 3 and 7 are somewhat interrelated and while we continue to have a significant difference of opinion and interpretation of the relevant provisions of the Agreement, we would welcome another "meet and confer" to fully vet possible accommodations which would address both Parties' concerns. Please advise.

Respectfully submitted,



Greg Chance
Regional CEO

Enclosure



Mark Rothert
City Manager
111 S. Capitol St.
Pekin, IL 61554
309-477-2300
mrothert@ci.pekin.il.us

May 27, 2022

Andrew Rand
Chief Executive Officer
c/o Greg Chance
Advanced Medical Transport
1718 North Sterling Avenue
Peoria, IL 61604

Re: Franchise Agreement

Dear Mr. Chance:

The City of Pekin is in receipt of your May 10, 2022 letter and check covering untimely reporting fees as outlined in Issue #4 of previous communications. The City tentatively agrees to accept this payment as resolution of Item #4 concerning any past due reports.

Because your letter also asserts that the check represents a...


“complete satisfaction of any and all money claims related to ‘penalties for untimely reporting’ as well as any other financial claims the City of Pekin may now or in the future assert against AMT for anything allegedly done or failed to have been done by AMT in relation to the City of Pekin franchise agreement and/or services provided...”

only the City Council can approve that kind of waiver of claims through official action. The City therefore plans to consider acceptance of the settlement payment at a forthcoming city council meeting. Once it is accepted by the City Council and cashed, I believe we can consider Issue #4 resolved.

As to issues 3 and 7, I do not find the benefit in having another meeting until AMT can commit to implementing such provisions as they are written in the Agreement. Our position and interpretation of the Agreement remains the same and has been adequately communicated. With respect, we are not interested in accepting accommodations that are less than what was mutually agreed upon. Moreover, the City views issues 3 & 7 as being key critical components to our overall day-to-day public safety operations that should be carried over into any future franchise agreement.

At the end of the day, if AMT views these as ‘non-starters,’ then please let us know as soon as possible in order for us to start determining what emergency transport services will look like in Pekin come July 1, 2023.

Sincerely,


Mark Rothert
City Manager

cc: AMT Attorney



Advanced Medical Transport

of Central Illinois

Save Lives. It's what we do.

July 14, 2022

Mark Rothert
City Manager
City of Pekin
111 S. Capitol Street
Pekin, Illinois 61554

Re: City of Pekin and AMT Franchise

We write today to provide clarity to the franchise agreement between the city of Pekin and AMT. Please note that we are eager to resolve all outstanding issues, but it appears to AMT that our 9-year-old agreement is mistakenly being reinterpreted through a contemporary lens. Our partnership has been one we greatly value but admit we do not understand the present confusion over open issues. Kindly allow us to address them individually and in some cases address issues where there is overlap.

Issue #3: Since the start of the agreement, AMT has never provided access to its AVL monitoring system to the city of Pekin.

Response: First, AMT presumes the City is referring to paragraph 3(e) on page 3 of the attached agreement dated July 1, 2013. Looking at the intent of this entire agreement through a present-day lens (city of Pekin letter dated 2/18/2022) does not fairly or accurately represent the intent of the parties at the time it was executed. Paragraph 3(e) was written to coincide with paragraph 3(d) on page 3. It was not provided to allow the City general access to "the location and availability of AMT units" etc., as described on page 3, letter of February 18th."

Paragraph 13 on page 6, and paragraph 20 on page 8, further serve as the mechanism to provide our response time auditors with the records (computer-aided dispatch records) necessary to independently review AMT's response time performance. Once completed, an auditor's report validating AMT's performance is provided to the City.

Next, for the City to have open access to AMT's AVL monitoring system, which is a function of AMT's computer-aided dispatch system (CAD), is highly problematic for privacy reasons. AMT's CAD contains real-time and historical health information on patients and services provided by AMT. Providing live, general access to the AVL system would violate the Federal Privacy Law - HIPAA - because such access would permit the City to view protected health information (PHI) when it does not need to view PHI. When this agreement was entered into, AMT did not agree

to, nor did AMT intend for the City to have open access to our AVL as this would be legally prohibited by HIPAA.

Under 45 CFR 164.103, AMT is a HIPAA covered entity, and AMT may only use or disclose protected health information as the HIPAA Privacy Rule permits or requires. Protected health information includes “individually identifiable health information,” including demographic data that relates to the provision of health care to the individual and that identifies the individual or for which there is a reasonable basis to believe it can be used to identify the individual. See, 45 CFR 160.103. The information in the live CAD-AVL system contains identifiers including patient name, address, date and time, and reason for call (chief complaint) – which would be considered PHI under HIPAA. HIPAA requires AMT to make reasonable efforts to disclose only the minimum amount of protected health information needed to accomplish the intended purpose of the use, disclosure, or request. See, 45 CFR 164.502(b) and 164.514(d). Because the City is seeking to monitor response time data for compliance with the Agreement, AMT should not, under HIPAA’s minimum necessary rule, be providing the City with live access to identifiable information. Access to PHI is not necessary to determine compliance with response time standards. In addition, providing live access to the AVL system may also expose the City to PHI of other AMT calls that do not fall under the Agreement. Such disclosure would expose AMT to potential fines and breach notification obligations under HIPAA. See, 45 CFR 164.401.

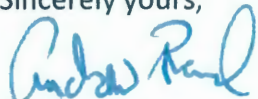
Issue #7: Letter dated 10/1/21, “Without access to AMT’s AVL monitoring system, the City cannot determine if 2 to 3 ambulance crews are being dedicated to serve the area covered by Pekin Fire Department. The intent of the agreement is to have these 2-3 crews dedicated to the city of Pekin and only service the areas that the city of Pekin Fire Department covers, not to serve all of AMT’s self-designated “Pekin Market” which covers other municipalities in Tazewell County and stretched across the Illinois River into southern Peoria County.”

Response: AMT purchased the Pekin-based operations of Campbell Superior in 1995 and has provided services geographically consistent with the “operations” purchased in 1995. Please note that “Primary response or coverage area” is terminology used in EMS system applications and is used to designate the core service area, not the exclusive service area. EMS system plans further describe the “secondary” and “outlying” areas of response. AMT included the city of Pekin service map in the EMS System application as a primary coverage area but did not propose service exclusivity nor does the language of the agreement describe service exclusivity. Please see attached map from System Plan application dated 1998. The State of Illinois Department of Public Health is the regulatory authority responsible for all State of Illinois EMS Systems. As such, IDPH reviews and approves all EMS System Provider Applications and licenses. Upon approval of the application, the EMS System Plan becomes a legally binding commitment on the part of the provider to provide service, and the service area is mandated by the Plan. AMT’s 1998 Peoria/Pekin System Plan was updated and approved in 2019. The Plan continues to maintain the city of Pekin as primary service area, with the surrounding communities mandated as secondary and outlying coverage areas. Please see attached map from Pekin EMS System Plan application dated 2019. You have our approved licenses on file.

At the time the franchise agreement was authored and negotiated, City officials were aware, and AMT was providing services to the greater Pekin community, or "Pekin Market" and not exclusively to the city of Pekin. Evidence of this can be found on Page 2 paragraph 3(a), "AMT agrees for the purpose of this agreement, that AMT's primary response area is the entire area served by the Pekin, Illinois Fire Department". This was a part of the general understanding with the City; including the Council, the Mayor, City Manager and Fire Chief when the agreement between the parties was made. Paragraph 20 page 8, "The CITY agrees that by measuring response time as described in paragraph 3, AMT is providing the staffing plan necessary to ensure the intended performance desired". This was intentional language which permits the crews scheduled from the base in Pekin to be used for System mandated response in the secondary and outlying service area as shown on the maps from AMT's EMS System Plans dated 1998 and 2019. To state that the city of Pekin is the exclusive service area for AMT's "Pekin Market" assets is incorrect.

We hope this response to your letter of May 27th provides clarity to the legalities that prohibit AMT from further movement on the issues highlighted. AMT's goal in any community in which we provide service is to provide the citizens of that community the highest-quality emergency medical care available. AMT has worked to that end in the "Pekin Market" since 1995 and our record of commitment to the city of Pekin is strong. We have maintained a record of strong response time reliability, we have maintained a high level of collaboration with the hospital, the City and the Pekin Fire Department. It is our desire to maintain that level of service, commitment, and community impact into the future.

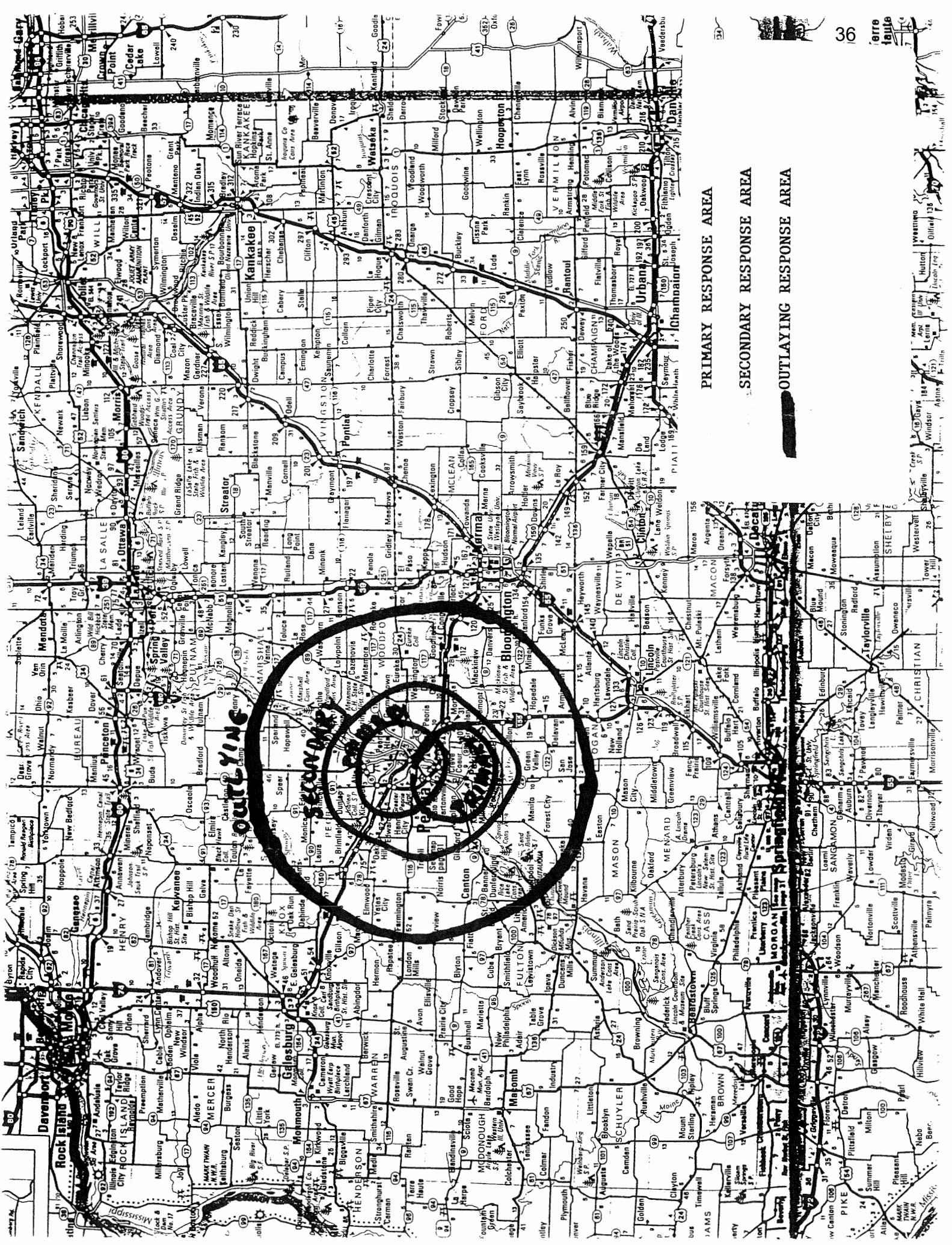
Sincerely yours,



Andrew A. Rand
Advanced Medical Transport of Central Illinois
Chief Executive Officer



Greg Chance
AMTSI / AMTE
Chief Executive Officer

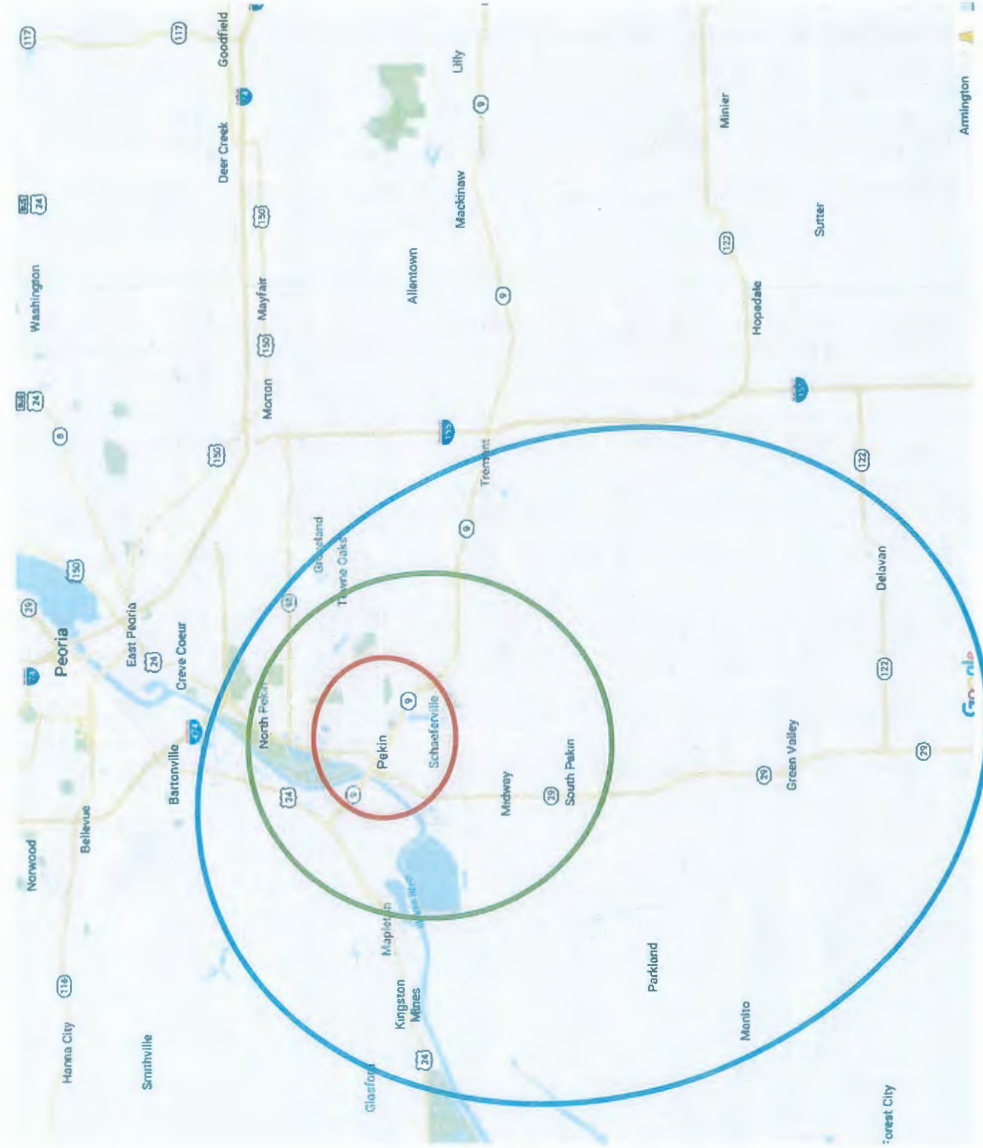


PRIMARY RESPONSE AREA

SECONDARY RESPONSE AREA

OUTLAYING RESPONSE AREA

Pekin Service Area Map



Primary Coverage Area
 City of Pekin
 Pop: 34,094
 Area: 15.4 square miles

Secondary Coverage Area
 North Pekin & Marquette Heights
 Pop: 4,262
 Area: 2.4 square miles

South Pekin
 Pop: 1,146
 Area: 2 square miles

Outlying Coverage Area
 Portions of Tazewell & Peoria
 Counties
 Pop: 54,000
 Area: 186 square miles



Mark Rothert
City Manager
111 S. Capitol St.
Pekin, IL 61554
309-477-2300
mrothert@ci.pekin.il.us

September 15, 2022

Andrew Rand
Chief Executive Officer
Advanced Medical Transport
1718 North Sterling Avenue
Peoria, IL 61604

Greg Chance
Chief Executive Officer
AMTSI / AMTE
1718 North Sterling Avenue
Peoria, IL 61604

Subject: City of Pekin and AMT Franchise Agreement

Dear Mr. Rand and Mr. Chance:

I am writing in response to your letter dated July 14, 2022, in which you state to not understand the City's "confusion" over the unsettled issues, namely AMT's continued refusal to provide the City with its AVL information and to staff ambulances in accordance with the Agreement. The City is not confused about what the Agreement requires, nor is the language of the Agreement confusing.

Paragraph 3(e) of the Agreement states, in its entirety, "The City of Pekin shall be provided access to AMT's AVL monitoring system at all times." There are no limitations or exceptions. The City is simply to be provided access to the AVL "at all times," which means 24 hours a day, seven days a week. Anything less fails to comply with this paragraph. Once again, you invoke paragraphs 3(d) and 13 of the Agreement in an effort to avoid complying with paragraph 3(e). As we've explained when you raised those arguments in the past, those paragraphs do not limit AMT's obligations under 3(e).

Paragraph 3(d) merely provides that AVL can be used to validate AMT's "on-scene" time when the ambulance fails to notify dispatch of their arrival on scene—a failure which would otherwise be deemed a failure to meet the required response time requirements. It does not excuse AMT from providing the City with access to its AVL "at all times" as required by paragraph 3(e). Paragraph 13 requires AMT to provide the City with an annual response time report and audit. Again, it does not excuse AMT from complying with paragraph 3(e). In fact, AVL is not mentioned at all in this paragraph.

Your latest argument that providing AVL as required by paragraph 3(e) would somehow violate HIPAA is completely incorrect. Providing AVL does not require, and the City is not requesting, disclosure of any information related to individual patients or medical services provided by AMT. The location of an AMT ambulance at any given time is not "protected health information."

With regard to staffing, paragraph 20 of the Agreement states "AMT agrees to staff between 2 and 3 ALS ambulance crews for the purpose of providing the services described in this agreement." You argue that "primary response or coverage area" has a specific meaning in EMS system

applications that should apply to the Agreement. Your reliance on EMS system terminology is misplaced, however, where the Agreement clearly defines the applicable service area. Paragraph 1(b) states “AMT shall provide ambulance service to the entire area served by the Pekin, Illinois Fire Department, including any territory which may be annexed to the City during the term of this Agreement.” Paragraph 3(a) states “AMT agrees for the purpose of this Agreement that AMT’s primary response area is the entire area served by the Pekin, Illinois Fire Department.” The area served by the Pekin Fire Department is therefore the relevant service area for purposes of staffing ambulance crews under the Agreement. AMT cannot now introduce external documents and terminology to alter the Agreement.

Over the past year, the City and AMT have engaged in extensive discussion and correspondence in an effort to resolve our remaining contract issues. However, it has become clear that AMT has no intention of providing the City with its AVL or meeting the staffing requirements of the service area as outlined in the Agreement. The City is not interested in engaging in further discussion, as it believes any such discussions would be unproductive. As you are aware, the City previously served AMT with a notice to terminate the Agreement upon the expiration of the current term on July 31, 2023. Since we cannot come to reconciliation over implementation of the terms of the existing Agreement, the City cannot in good faith start negotiation on any new one with AMT. It is therefore the City’s intent to let the existing Agreement terminate. The City is now left to explore its emergency transport options. Please anticipate a request for proposals to be issued soon by the City for such services. AMT is more than welcome to submit a bid, however note that there will be requirements for access to AVL data and staffing of ambulances to meet specific performance standards.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Rothert". The signature is written in a cursive style with a large, stylized initial "M".

Mark Rothert
City Manager