

**BASE HOSPITAL AGREEMENT
BETWEEN
SCOTTSDALE HEALTHCARE HOSPITALS dba HONORHEALTH
AND
CITY OF APACHE JUNCTION**

THIS BASE HOSPITAL AGREEMENT made and effective on the 7th day of May, 2019 (the "Effective Date") by and between City of Apache Junction, an Arizona municipal corporation ("City") and Scottsdale Healthcare Hospitals dba HonorHealth, an Arizona non-profit corporation ("HonorHealth") (collectively, the "Parties" or individually a "Party.")

RECITALS

WHEREAS, HonorHealth owns and operates five acute care hospitals: Scottsdale Osborn Medical Center located at 7400 E. Osborn Road, Scottsdale, Arizona ("Osborn"); Scottsdale Shea Medical Center located at 9003 E. Shea Boulevard, Scottsdale, Arizona ("Shea"); Scottsdale Thompson Peak Medical Center located at 7400 E. Thompson Peak Parkway, Scottsdale, Arizona ("TPK"); John C. Lincoln Medical Center located at 250 East Dunlap Avenue, Phoenix, Arizona ("JCL"); and Deer Valley Medical Center located at 19829 North 27th Avenue, Phoenix, Arizona ("Deer Valley"); and

WHEREAS, JCL is certified as an advanced life support base hospital by the Arizona Department of Health Services ("ALS Base Hospital" or "Hospital"); and

WHEREAS, HonorHealth believes that Hospital acting as a base station for all certified emergency medical technicians and individuals licensed or certified to render emergency medical care ("Personnel") would be of benefit to patients cared for at the Hospital, to persons residing in the geographical area of the Hospital, and to patients cared for by City for whom the Hospital provides medical direction; and

WHEREAS, Hospital desires to act as a base station for administrative medical direction and on-line medical direction of City Personnel in accordance with the terms and provisions of this Agreement; and

WHEREAS, City desires to utilize the Hospital as a base station for pre-hospital care and on-line medical direction of City Personnel in accordance with the terms and provisions of this Agreement, and

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**ARTICLE I
PURPOSE**

1.1 City hereby engages HonorHealth, and HonorHealth accepts such engagement pursuant to the terms and provisions of this Agreement, to utilize JCL as a base station for medical direction of ALS Personnel.

**ARTICLE II
RESPONSIBILITIES OF HOSPITAL**

2.1 Medical Direction. Hospital shall:

2.1.1 Provide administrative medical direction of City Personnel, as required by and in compliance with the requirements of Arizona Administrative Code ("AAC") R9-25-201.

2.1.1.1 Designate a physician to serve as the ALS Base Hospital administrative medical director who meets one of the requirements of AAC R9-25-201(A)(1) ("ALS Base Hospital Medical Director").

2.1.1.2 Establish, document and implement protocols in accordance with AAC R9-25-201(E)(2). Annually review and update as necessary said protocols.

2.1.1.3 Establish, document and implement policies and procedures in accordance with AAC R9-25-201(E)(3) and F(2). Annually review and update as necessary said policies and procedures.

2.1.1.4 Review annually the requirements in Arizona Revised Statutes ("ARS") Title 36, Chapter 21.1 and AAC Chapter 9, Article 2.

2.1.1.5 Ensure that the City Personnel

2.1.1.5.1 Have access to at least the minimum supply of agents required for the highest level of service to be provided by the Personnel;

2.1.1.5.2 Administer, monitor or assist in patient self-administration of an agent according the requirements in policies and procedures; and

2.1.1.5.3 Have access to a copy of the policies and procedures required by AAC R9-25-201(F)(2) while on duty for City.

2.1.1.6 Ensure that the AzDHS is notified within ten (10) calendar days after the ALS Base Hospital Medical Director receives notice that any quantity of a controlled substance is depleted, visibly adulterated, or missing.

2.1.1.7 Except when City obtains all agents from Hospital pharmacy, which retains ownership of the agents, ensure that agents to which City Personnel have access are obtained, stored transferred and disposed of according to policies and procedures; ARS Title 36, Chapter 27; ARS Title 32, Chapter 18; 4 AAC 23; and requirement of the U.S. Drug Enforcement Administration.

2.1.2 Provide on-line medical direction of City Personnel, as required by and in compliance with the requirements of AAC R9-25-202.

2.1.2.1 Ensure that the physicians who provide on-line medical direction meet at least one of the requirements of AAC R9-2-202(A)(1), which physicians shall be physically present at all times in the emergency department.

2.1.2.1.1 Ensure that such qualified physicians are available to give on-line medical direction to City Personnel 24 hours a day, seven days a week.

2.1.2.2 Ensure that the on-line medical direction provided to City Personnel is consistent with:

2.1.2.2.1 The Personnel's scope of practice; and

- 2.1.2.2.2 Communication protocols, triage protocols, treatment protocols, and protocols for pre-hospital incident history reports as specified in AAC R9-25-201(E)(2).
- 2.1.2.3 Ensure that the physician providing on-line medical direction relays on-line medical direction only through one of the following individuals, under the supervision of the physician and consistent with the individual's scope of practice: another physician, a physician assistant, a registered nurse practitioner, a registered nurse, or a paramedic.
- 2.1.2.4 Provide operational and accessible communication equipment that will allow on-line medical direction to be given to City Personnel.
 - 2.1.2.4.1 Develop a written plan for alternative communication with City Personnel in the event of a disaster, communication equipment breakdown or repair, power outage, or malfunction.
- 2.1.3 Maintain current and unrestricted certification as an ALS base hospital in accordance with AAC R9-25-203.
 - 2.1.3.1 Notify City in writing within 24 hours after ceasing to meet the requirements in AAC R9-2-203(B).
 - 2.1.3.2 Notify City in writing within 24 hours of a change in the ALS Base Hospital Medical Director.
 - 2.1.3.3 Notify City in writing within 24 hours in the event the ALS Base Hospital Medical Director is no longer qualified to be an ALS base hospital administrative medical director.
- 2.1.4 If Hospital's pharmacy provides all of the agents for City, and Hospital owns the agents provided, ensure that:
 - 2.1.4.1 Except as stated in AAC R9-25-201C(E)(2) and (3), the policies and procedures for agents to which City Personnel have access that are established by the ALS Base Hospital Medical Director comply with the requirements in AAC R9-25-201(F)(2);
 - 2.1.4.2 City requires Personnel to notify the pharmacist in charge of the Hospital pharmacy of a missing, visibly adulterated, or depleted controlled substance;
 - 2.1.4.3 The pharmacist in charge of the Hospital pharmacy notifies the AzDHS in accordance with AAC R9-201(F)(3) of a missing, visibly adulterated, or depleted controlled substance.
 - 2.1.4.4 Items in the drug box are restricted to those identified in ACC R9-25-502 Tables 5.2 and 5.3 or as permitted under an emergency rule issued by the AzDHS Bureau of Emergency Medical Services.
 - 2.1.4.5 A procedure is established for replenishing disposable, medical supplies and agents expended during the treatment of a patient.

- 2.1.5 Appoint a qualified individual as Pre-hospital Coordinator for all pre-hospital activities and responsibilities of the ALS Base Hospital. The Pre-hospital Coordinator shall be an emergency physician or emergency department nurse.
- 2.1.6 Have a dedicated telephone line for City Personnel to call the Hospital.
- 2.1.7 Provide supervised clinical training and continuing education to City Personnel.
- 2.1.8 Develop and implement jointly with City a quality improvement process ("QIP") to review the quality of medical care provided and identify continuing education needs. The QIP will be directed by the ALS Medical Director in conjunction with appropriate Hospital and City personnel.
- 2.1.9 Maintain during the term of this Agreement at its sole cost and expense, liability insurance coverage in an amount not less than three million dollars (\$3,000,000) per occurrence, with respect to claims for bodily injuries or death or property damage arising out of Hospital's performance related to this Agreement. Upon request Hospital shall provide City certificates of insurance evidencing such coverages. Hospital shall provide thirty (30) days' written notice to City of cancellation of such coverage.
- 2.1.10 Keep a timely record of any agents used by City which agents were provided pursuant to Section 2.1.4.5 above. Hospital shall bill City quarterly on March 31st, June 30th, September 30th, and December 31st, for the agents used by City which were supplied by Hospital during the preceding three (3) months. The prices charged shall be set forth on Schedule A ("Medication Charges"). City shall remit payment to Hospital no later than forty-five (45) days from the invoice date. Hospital shall not bill City for the agents used by City which were supplied by Hospital pursuant to Section 2.1.4.5.

ARTICLE III RESPONSIBILITIES OF CITY

- 3.1. Medical Direction. City shall:
 - 3.1.1. Utilize the Hospital for administrative medical direction of its Personnel assigned to Hospital.
 - 3.1.2. Utilize the Hospital for pre-hospital care and on-line medical direction of its Personnel pursuant to AAC R9-25-201 and R9-25-202.
 - 3.1.3. Equip each unit/team/vehicle used by Personnel with all equipment required by AzDHS, including, but not limited to:
 - 3.1.3.1. Access to and use of necessary forms and/or electronic health records ("EHR") to ensure adequate documentation and maintenance of records of patient encounters and treatments rendered by City Personnel. City will provide Hospital personnel with access to such documentation on an ongoing and timely basis, including individual or group log on access to EHR.
 - 3.1.3.2. Providing communication equipment in good working order that allows the Hospital to communicate with City Personnel in the field.

- 3.1.3.3. Providing any other equipment necessary to the operation of the unit/team/vehicle in order for City to be in compliance with all applicable state and federal laws, rules, regulations and orders.
- 3.1.4. Utilize only emergency medical care technicians ("EMCTs") certified by the AzDHS pursuant to ARS, Title 36 Chapter 21.1 Article 1 (ARS 36-2202) and AAC Title 9, Chapter 25 Article 4.
 - 3.1.4.1. Certify that only EMCTs with current certifications are assigned to Hospital.
 - 3.1.4.2. Require City Personnel to meet AzDHS continuing education requirements for recertification.
- 3.1.5. Not concurrently assign City Personnel to another advanced life support base hospital for administrative and on-line medical direction.
- 3.1.6. Provide a continuing quality improvement process and a review of encounter form.
- 3.1.7. Be responsible for the procedures used in responding to and providing assistance at the scene of an emergency.
- 3.1.8. Have a written policy such that when ALS skills have been instituted, the City Personnel with the highest skill level shall remain with the patient until transfer of care to another comparably staffed ALS equipped emergency vehicle or to the staff of an appropriate facility.
- 3.1.9. Initiate an EMS Encounter Form for each patient contact. When transported to a receiving facility, the patient(s), record(s), and the care of the patient(s) shall be immediately transferred to the facility.
- 3.1.10. Allow ride-along privileges and direct observation to physicians providing on-line medical direction and intermediaries and other Hospital staff in order for Hospital to provide training and education for City Personnel as required under this agreement, assuming appropriate Business Associate Agreement and Waiver & Release are obtained prior to transport.
- 3.1.11. Agree that whenever City Personnel are performing services on the Hospital's premises or taking direction from a physician on the Hospital medical staff, such Personnel shall be considered as independent contractors and not as agents or employees of the Hospital.
- 3.1.12. Secure and maintain in force during the term of this Agreement and for three (3) years thereafter, comprehensive general liability insurance with respect to claims for bodily injuries, or death, or property damage as well as professional liability insurance covering each of its employees utilized under terms of this Agreement with limits of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate. Provide certificates of insurance evidencing such coverage to Hospital upon request. Provide Hospital with thirty (30) days' advance written notice of cancellation of such coverages. In addition, during the term of this Agreement, maintain at its sole cost and expense, motor vehicle liability insurance providing for a minimum of Two Million Dollar (\$2,000,000) combined single limit of liability. Said insurance coverage shall be maintained with respect to the all ambulances and vehicles used by City in servicing patients of the Hospital.

- 3.1.13. Comply with applicable equal employment opportunity and affirmative action requirements.
- 3.1.14. Staff units/vehicles in compliance with AzDHS requirements.
- 3.1.15. Make reasonable effort to pre-hospital quality improvement recommendations.
- 3.1.16. Notify Hospital in writing, or electronically, within thirty (30) days, of any transfer or termination of City Personnel assigned to the Hospital or the addition of new Personnel assigned to the Hospital. Said notification shall include the name, certification number, certification expiration date, and the effective date of employment, transfer or termination.
- 3.1.17. Require that each paramedic assigned to the Hospital comply with ALS Base Hospital specific criteria. ALS Base Hospital requirements for EMCTs new to the Hospital shall include, but are not limited to:
 - 3.1.17.1. Attendance at ALS Base Hospital orientation;
 - 3.1.17.2. Making all patient care encounter forms available to the Pre-hospital Coordinator in accordance with HIPAA standards;
 - 3.1.17.3. Meeting with the Pre-hospital Coordinator(s) and/or ALS Base Hospital Medical Director for orientation and clinical evaluation (as determined by the ALS Base Hospital Medical Director);
 - 3.1.17.4. Providing copies of current identification and certification cards for each EMCT assigned to Hospital, including current driver's license or government issued identification card, current state certification card, current ACLS card, current CPR card and any other current certification cards held by the EMCT (i.e. PALS, National Registry, etc.); and
 - 3.1.17.5. Providing any other certifications and/or attending any other ongoing education requirements as requested by the ALS Base Hospital Medical Director.
- 3.1.18. Provide a list of the names of each EMCT currently assigned to Hospital. The list shall include the EMCT's certification number and certification expiration date.

ARTICLE IV TERM AND TERMINATION

- 4.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue for five years with one automatic extension of an additional five (5) year term, or until either Party hereto gives sixty (60) days' notice in writing to the other Party of its intent to cancel and/or terminate this Agreement. Upon the giving of such notice, this Agreement shall automatically terminate sixty (60) days from the date of said notice. Termination of this Agreement pursuant to the provisions of this section shall not release or discharge any of the Parties from any rights or obligations accrued herein under prior to such termination.

ARTICLE V OTHER PROVISIONS

- 5.1 System Review. Parties agree that, should timely audit and written documentation of EMS/ALS encounters demonstrate that the present system markedly deviates from the medical standards of

the EMS system, at the request of either the Hospital or City, both Parties will jointly review a recommendation to amend this Agreement or upgrade the minimal EMCT personnel standards.

- 5.2 Mutual Indemnification. Each Party shall defend, indemnify and save harmless the other for, from and against all actions, liabilities, losses, damages, claims and demands whatsoever, including costs, expenses and attorney's fees resulting from or claimed to have resulted from any intentional or negligent acts or omissions of the other Party, its employees, elected and appointed officers, officials or agents engaged in the work under this Agreement at the time of the event or occurrence upon which such actions, claims or demands are based. Where both Hospital and City, including their respective employees, elected and appointed officers, officials or agents, participated in the liability causing event, each Party shall contribute to the common liability a pro rata share based upon its relative degree of fault.

ARTICLE VI

MISCELLANEOUS PROVISIONS

- 6.1 Independent Contractor. Whenever City Personnel are performing services under this Agreement and taking direction from physicians on Hospital's staff (i.e., either employed by or contracted for by Hospital), such City Personnel shall be considered as independent contractors and not as agents, servants or employees of Hospital for the payment of any employer taxes such as FICA, unemployment, and worker's compensation. Hospital shall not be responsible for those taxes or any fringe benefits from the City's employees. Further, the employees of City shall not be regarded as employees of the Hospital with respect to any intentional or negligent activity in which they may be involved or for any other purpose. "Direction" shall be deemed to be limited to matters related to the care of pre-hospital patients.

Whenever Hospital or HonorHealth employees are performing services under this Agreement, such Hospital or HonorHealth employees shall be considered as independent contractors and not as agents, servants or employees of City for the payment of any employer taxes such as FICA, unemployment, and worker's compensation. City shall not be responsible for those taxes or any fringe benefits from the Hospital's or HonorHealth's employees. Further, the employees of Hospital or HonorHealth shall not be regarded as employees of the City with respect to any intentional or negligent activity in which they may be involved or for any other purpose.

- 6.2 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto, their respective successors, assigns or other legal representatives.
- 6.3 Assignment. No right or obligation hereunder may in any way whatsoever be assigned or delegated to a third Party without the express prior written consent of the other Party hereto, and any attempted assignment without such consent shall be considered null and void. Notwithstanding the above, this Agreement, or any or all of the services required herein, may be assigned, or subcontracted to any of City's affiliates.
- 6.4 Legal Fees. In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing Party shall be entitled to receive from the other Party, reasonable attorneys' fees, costs, and expenses related to such action.
- 6.5 Severability. If any portion or portions of this Agreement shall be for any reason invalid or unenforceable, the remaining portion(s) shall be valid and enforceable and carried into effect unless to do so would clearly violate the present legal and valid intention of the Parties hereto.

- 6.6 Notices. Any notice required or permitted to be given pursuant to any provisions of this Agreement shall be given in writing, and either delivered in person, by electronic transmission, deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested, properly addressed, or by a nationally recognized overnight courier service, to the following addresses:

Hospital: HonorHealth
8125 N. Hayden Rd.
Scottsdale, AZ 85258
Attn: General Counsel

with a copy to:
Tracy Moroney RN, BSN, BCEN, BCFRN-Prehospital Coordinator
HonorHealth Deer Valley Medical Center
19829 North 27 Avenue
Phoenix, AZ 85023

City: City of Apache Junction
Tom Kelly, Police Chief
300 E. Superstition Blvd.
Apache Junction, AZ 85119

with a copy to:
R. Joel Stern, City Attorney
300 E. Superstition Blvd.
Apache Junction, AZ 85119

The notification addresses listed above can be changed by either Party with proper notice as listed above.

- 6.7 Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes any previous agreement or understanding, whether oral or otherwise. No modification of this Agreement shall be valid unless in writing and signed by each of the Parties hereto.
- 6.8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.
- 6.9 Execution by Facsimile; Delivery of Original Signed Agreement. The Parties have each agreed to permit signatures to this Agreement through the use of facsimile transmission, electronic mail, or other electronic means and that such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature by facsimile transmission, electronic mail, or other electronic means were an original signature thereof.
- 6.10 Modification Based Upon Change in Law or Interpretation Thereof. If there is a change in any federal or state law, regulation or rule which affects the Agreement or the activities of either Party under this Agreement, or any change in the judicial or administrative interpretation of any such law, regulation, or rule and either Party reasonably believes in good faith that the change will have a substantial adverse effect on that Party's business operations or its rights or obligations under this Agreement, then the Party may, upon written notice, require the other Party to enter into good faith

negotiations to renegotiate the terms of this Agreement. If the Parties are unable to reach an agreement concerning the modification of this Agreement within the earlier of forty five (45) days after the date of the notice seeking renegotiation or the effective date of the change, or if the change is effective immediately, then either Party may immediately terminate this Agreement by written notice to the other Party.

- 6.11 Exclusion from Doing Business. City hereby warrants and represents that it is eligible to do business with and has never been excluded from doing business with any federal or state health care program, including, without limitation, Medicare, Medicaid, and AHCCCS. City shall, throughout the term of this Agreement, maintain its eligibility to do business with all federal and state health care programs. In the event City is excluded from doing business with any federal or state healthcare program, City shall immediately notify Hospital in writing of the exclusion. This Agreement and any other agreement between City and Hospital for the provision of items or services for which payment may be made in whole or in part under any federal or state health care program shall automatically terminate upon the exclusion of City from doing business with any federal or state health care program and Hospital's obligation to pay for any item or service provided by City pursuant to this Agreement as well as its obligation under any contract shall cease as of the effective date of the exclusion from doing business with any such program.
- 6.12 HIPAA. The Parties confirm their intent to comply with the requirements of the Standards for Privacy of Individually Identifiable Health Information 45 C.F.R. 160.103, 164.501 *et. seq.*, as amended from time to time ("Privacy Standards") for protected health information ("PHI"). The Parties believe that the use and handling of PHI by Hospital and City in providing Services under this Agreement is related to the provision of patient care services and otherwise authorized under the Privacy Standards without additional agreements, consents or authorizations.
- 6.13 Compliance with Federal Anti-Kickback Statute. Each Party shall comply with the Federal Health Care Programs' Anti-Kickback Statute (42 U.S.C. § 1320a-7b) and any applicable regulations promulgated thereunder. The Parties further recognize that this Agreement shall be subject to amendments of the Anti-Kickback Statute or any of its applicable regulations. In the event any applicable provisions of the Anti-Kickback Statute or its regulations invalidate, or are otherwise inconsistent with the terms of this Agreement, or would cause one or both the Parties to be in violation of the law, the Parties shall exercise their best efforts to accommodate the terms and intent of this Agreement to the greatest extent possible consistent with the requirements of the Statute and its applicable regulations.
- 6.14 Fair Market Value. This Agreement has been negotiated at arm's length and in good faith by the Parties. Nothing contained in this Agreement, including any compensation paid or payable, is intended or shall be construed: (i) to require, influence or otherwise induce or solicit either Party regarding referrals of business or patients, or the recommending the ordering of any items or services of any kind whatsoever to the other Party or any of its affiliates, or to any other person, or otherwise generate business between the Parties to be reimbursed in whole or in part by any Federal Health Care Program, or (ii) to interfere with a patient's right to choose his or her own health care provider.
- 6.15 Regulatory Termination: If any federal state or local regulatory, licensing or certifying body, including but not limited to the Center for Medicare and Medicaid Services ("CMS"), Department of Health and Human Services ("DHHS") or the Internal Revenue Service ("IRS") determines that this Agreement is illegal or jeopardizes Hospital's tax exempt status or otherwise materially effects either Party's business or, in City's case, governmental operations, then the affected Party shall

give the other Party such notice as is reasonable in the circumstances and shall make available a reasonable period in which to cure. If no cure is implemented by the Parties, the Hospital, in its sole discretion, may terminate this Agreement.

- 6.16 Confidentiality. City, its employees and agents shall keep confidential all knowledge, information and documents entrusted to its care by Hospital. Neither City, its employees nor agents shall disclose any knowledge, information or documents entrusted to it by Hospital to any person, firm or corporation other than the person, firm or corporation designated by Hospital. Knowledge, information and documents entrusted by Hospital to City may include, but are not limited to, the names of vendors and the terms and conditions (including financial information) with vendors, the names of patients and the terms and conditions (including financial information) of agreements with or for the benefit of patients and all medical records and information. Notwithstanding the above, the Parties recognize that City is a government entity subject to public records retention and disclosure obligations, and nothing in this Agreement prohibits, penalizes, or requires compensation for compliance with those public records retention and disclosure obligations.
- 6.17 Force Majeure: In case performance of any terms or provisions hereof (other than the payment of monies), shall be delayed or prevented because of compliance with any law, decree, or order of any governmental agency or authority, either local state or federal or because of riots, war, public disturbances, strikes, lockouts, differences with workers, fire, hoods, Acts of God or any other reason; whatsoever which is not within the control of the Party whose performance is interfered with and which, by the exercise of reasonable diligence said Party is unable to prevent, the Party so suffering may at its option suspend, or postpone, without liability, the performance of its obligations hereunder (other than the payment of monies) during the period such cause continues, and extend the term of this Agreement for the period of such suspension or postponement of performance of its duties hereunder.
- 6.18 Supersede and Replace: This Agreement is intended to supersede and replace any prior agreement between Hospital and City with regard to the subject matter contained herein.
- 6.19 Non-Exclusive Agreement. This Agreement is not exclusive. Accordingly, Hospital shall have the right to enter into one or more agreements relating to the same or similar matters as are covered by this Agreement and execution by Hospital of such Agreements shall not constitute a breach of this Agreement.
- 6.20 Access to Records for Government Inspection. City agrees until the expiration of four (4) years after the furnishing of services to be provided under this Agreement, to make available upon written request, to the Secretary of Health and Human Services or upon request, to the Comptroller General of the United States of America or any of their duly authorized representatives, the contracts, books, documents and records that are necessary to certify the nature and extent of reimbursable costs under the Medicare laws. If City carries out any of the agreements under this contract through a subcontract with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period with a related organization, such subcontract shall contain a requirement identical to that set forth in the preceding paragraph.
- 6.21 Governing Law. This Agreement shall be governed by the internal substantive laws of the State of Arizona, without regard for conflicts of laws.
- 6.22 Drug Free Environment. The Parties acknowledge that it is their intention that no employees perform services while impaired. In the event that City reasonably suspects that an EMCT has used illegal drugs or alcohol in contravention of City's policies, City shall require the EMCT to submit

to alcohol and/ or drug testing in accordance with City's policies. In the event that Hospital suspects that any City EMCT is impaired while performing services, Hospital shall notify City of such suspicion. Upon such notification, and if City, in its sole discretion, determines that there is reasonable suspicion to believe that an EMCT has used illegal drugs or alcohol in contravention of City's policies, City shall require the EMCT to submit to alcohol and/or drug testing in accordance with City's policies. Notwithstanding the foregoing, Hospital shall have the right to refuse entry to any of City EMCT if, in the sole judgment of Hospital, the health status or actions of that EMCT is detrimental to the health and/or safety of Hospital's patients, guests or staff.

- 6.23 Retention and Inspection of Records. All records shall be kept on file by City for a period of four (4) years from the date the record is made. City shall, upon reasonable notice, give Hospital or its authorized representative the privilege at a reasonable time of inspecting, examining, and auditing, during normal business hours, such of City's business records which are directly relevant to the financial arrangements. The cost of such inspection, examination, and audit will be at the sole expense of Hospital and such inspection, examination, and audit shall be conducted where said records are normally maintained.
- 6.24 Corporate Authority. The individual(s) executing this Agreement on behalf of, or as a representative for a corporation or other person, firm, partnership or entity, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of the corporation, person, firm, partnership or other entity and that this Agreement is binding upon the entity in accordance with its terms
- 6.25 Compliance with Regulations and Policies. City shall comply with all standards applicable to the services described in this Agreement, including but not limited to the standards of (a) federal, state and local government laws, rules and regulations, and (b) third party payors. Whenever providing services or goods pursuant to this Agreement on Hospital premises, City, its employees and agents shall comply with and observe all Hospital rules and regulations concerning conduct on Hospital premises. If any of the services or goods provided under this Agreement are services or goods for which Hospital may, directly or indirectly, obtain compensation or reimbursement from any governmental health program (e.g., Medicare, Medicaid, AHCCCS, CHAMPUS), City will comply with all government reimbursement requirements as specified by Hospital and shall assist Hospital in completing necessary documents and records for reimbursement.
- 6.26 OFCCP. City warrants that it complies with applicable federal, state and local statutes and regulations, including employment, wage and hour, and immigration laws and agrees, in connection with the performance of work under this Agreement, not to discriminate against any employee or applicant for employment because of race, gender, religion, color, national origin, age, disability, or veteran status. The Parties hereby agree to comply with Executive Orders 11246 and 13496, and hereby incorporate herein the requirements of 41 C.F.R. §§60-1.4(a)(1)-(7); 41 C.F.R. § 60-741.5; 29 C.F.R. part 471, Appendix A to Subpart A; 41 C.F.R. 60-300.5(a); and all other federal acquisitions regulations governing this Agreement, if applicable. These regulations prohibit discrimination against individuals based on race and gender, and against qualified protected veterans and qualified individuals on the basis of disability. The regulations require affirmative action by covered prime contractors and subcontractors to employ and advance in employment minorities, women, qualified protected veterans, and qualified individuals with disabilities.
- 6.27 Debarment. City represents and warrants that neither City nor any of its current directors or officers: (i) is currently excluded, debarred or otherwise ineligible to participate in Federal health care programs as defined in 42 USC § 1320a-7b(f) (the "Federal Healthcare Programs"); (ii) has been

convicted of a criminal offense related to the provision of healthcare items or services during the last five (5) years; or (iii) has been excluded, debarred or otherwise declared ineligible to participate, during the last five (5) years, in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the Term of this Agreement and City shall immediately notify HonorHealth of any change in the status of the representations and warranty set forth in this Section. Any breach of this Section shall give HonorHealth the right to terminate this Agreement immediately for cause.

6.28 Conflicts of Interest. This Agreement is subject to, and may be terminated by City in accordance with, the provisions of A.R.S. § 38-511.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their representatives on the date set forth below.

CITY

HONORHEALTH

By: _____

By: Gary Baker

Name: Jeff Serdy

Name: Gary E. Baker, FACHE

Title: Mayor

Title: Hospital Region CEO

Date: _____

Date: 4/12/19

ATTEST:

Kathleen Connelly, City Clerk

APPROVED AS TO FORM:

 4.18.19

Richard J. Stern, City Attorney

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing was subscribed and sworn to before me this 17 day of April, 2019, by Gary E. Baker, Hospital Region CEO of Scottsdale Healthcare Hospitals dba HonorHealth, an Arizona non-profit corporation.



Karen Hanrahan
Notary Public

My Commission Expires:

6/22/2021

STATE OF ARIZONA)
) ss.
County of Pinal)

The foregoing was subscribed and sworn to before me this ____ day of _____, 20____, by Jeff Serdy, Mayor of the City of Apache Junction, Arizona, an Arizona municipal corporation.

Notary Public

My Commission Expires:
