

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

**SECOND AMENDMENT TO
AGREEMENT FOR CONTINGENCY AMBULANCE TRANSPORT SERVICES**

THIS SECOND AMENDMENT is made and entered into is entered into by and between Fort Bend County, (hereinafter "County"), a body corporate and politic under the laws of the State of Texas, and Kam-Syd, Ltd. dba, Bay Star Ambulance, (hereinafter "Contractor") a company authorized to conduct business in the State of Texas.

WITNESSETH

WHEREAS, County and Contractor executed the Agreement for Contingency Ambulance Transport Services on or about February 4, 2014 and amended on or about May 26, 2015 (hereinafter the "Agreement")attached hereto as Exhibit C, incorporated by reference as if set forth herein verbatim. County and Contractor desire to amend said Agreement as set forth below:

- A. The Agreement is hereby renewed; effective April 1, 2016 and shall terminate on March 31, 2017. Terms, conditions, pricing and additional renewal periods shall remain the same.
- B. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- C. If there is a conflict between this First Amendment and the Agreement, the provisions of this Amendment shall prevail.

Execution page follows

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the date signed by County.

FORT BEND COUNTY:

CONTRACTOR:

Robert Hebert
County Judge



Signature

Charles Beyan President/COO

Printed Name and Title

Date

2.12.16

Date

Attest:

Laura Richard, County Clerk

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of _____ to accomplish and pay the obligation of Fort Bend County under this contract.

Robert Edward Sturdivant, County Auditor

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

**FIRST AMENDMENT TO
AGREEMENT FOR CONTINGENCY AMBULANCE TRANSPORT SERVICES**

THIS FIRST AMENDMENT is made and entered into is entered into by and between Fort Bend County, (hereinafter "County"), a body corporate and politic under the laws of the State of Texas, and Kam-Syd, Ltd. dba, Bay Star Ambulance, (hereinafter "Contractor") a company authorized to conduct business in the State of Texas.

WITNESSETH

WHEREAS, County and Contractor executed the Agreement for Contingency Ambulance Transport Services on or about February 4, 2014 (hereinafter the "Agreement") attached hereto as Exhibit B, incorporated by reference as if set forth herein verbatim. County and Contractor desire to amend said Agreement as set forth below:

- A. The Agreement is hereby renewed; effective April 1, 2015 and shall terminate on March 31, 2016. Terms, conditions, pricing and additional renewal periods shall remain the same.
- B. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- C. If there is a conflict between this First Amendment and the Agreement, the provisions of this Amendment shall prevail.

Execution page follows

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the date signed by County.

FORT BEND COUNTY:

Robert Hebert

Robert Hebert
County Judge

CONTRACTOR:

Eric Stricklin

Signature

Eric Stricklin, COO
Printed Name and Title

Date

May 26 2015

5-12-15

Attest:

Laura Richard

Laura Richard, County Clerk



AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of 10,000.00 to accomplish and pay the obligation of Fort Bend County under this contract.

Robert Edward Sturdivant

Robert Edward Sturdivant, County Auditor

EXHIBIT B

AGREEMENT FOR CONTINGENCY AMBULANCE TRANSPORT SERVICES

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

AGREEMENT FOR CONTINGENCY AMBULANCE TRANSPORT SERVICES

THIS AGREEMENT is made and entered into by and between Fort Bend County, (hereinafter "County"), a body corporate and politic under the laws of the State of Texas, and Kam-Syd, Ltd., dba, Bay Star Ambulance (hereinafter "Contractor"), a company authorized to conduct business in the State of Texas.

WITNESSETH

WHEREAS, County desires that Contractor provide contingency ambulance transport services (hereinafter "Services") pursuant to RFP 14-026; and

WHEREAS, Contractor represents that it is qualified and desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

Article I. Scope of Services

Contractor shall render Services to County as defined in the Scope of Services (attached hereto as Exhibit A).

Article II. Personnel

2.1 Contractor represents that it presently has, or is able to obtain, adequate qualified personnel in its employment for the timely performance of the Scope of Services required under this Agreement and that Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel, in the opinion of County, to perform the Scope of Services when and as required and without delays.

2.2 All employees of Contractor shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Contractor who, in the opinion of County, is incompetent or by his conduct becomes detrimental to the project shall, upon request of County, immediately be removed from association with the project.

Article III. Compensation and Payment

3.1 Contractor's fees shall be calculated at the rates set forth in the attached Exhibit A. The Maximum Compensation paid by County for the performance of Services within the Scope of Services described in Exhibit A is ten thousand dollars and no/100 (\$10,000.00). In no case shall the amount paid by County under this Agreement exceed the Maximum Compensation without an approved change order.

3.2 All performance of the Scope of Services by Contractor including any changes in the Scope of Services and revision of work satisfactorily performed will be performed only when approved in advance and authorized by County.

3.3 County will be considered the payor of last resort for the Services. Vendor will use reasonable efforts to verify whether each transported client has another payor source that will reimburse Contractor for the Services. If it is determined that a transported client has another payor source, Contractor shall invoice that payor source for reimbursement. If there is a transported client co-pay and the transported client is unable to pay the co-pay amount, Contractor may invoice County for the co-pay amount. If another payor source denies payment of a claim for Services, Contractor may invoice County for the Services.

3.4 All County payments for Services shall be based on the following procedures: Upon completion of the tasks identified in the Scope of Services, Contractor shall submit to County two (2) original copies of invoices showing the amounts due for services performed in a form acceptable to County. Contractor shall include evidence of efforts to obtain payment from other payor sources. County shall review such invoices and approve them within 30 calendar days with such modifications as are consistent with this Agreement and forward same to the Auditor for processing. County shall pay each such approved invoice within thirty (30) calendar days. County reserves the right to withhold payment pending verification of satisfactory work performed.

Article IV. Limit of Appropriation

4.1 Contractor clearly understands and agrees, such understanding and agreement being of the absolute essence of this Agreement, that County shall have available the total maximum sum of ten thousand dollars and no/100 (\$10,000.00), specifically allocated to fully discharge any and all liabilities County may incur.

4.2 Contractor does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum compensation that Contractor may become entitled to and the total maximum sum that County may become liable to pay to Contractor shall not under any conditions, circumstances, or interpretations thereof exceed ten thousand dollars and no/100 (\$10,000.00).

Article V. Term

The term of the Agreement shall begin upon execution of the last party hereto and end on March 31, 2015. The Agreement shall be renewable annually for four (4) additional one year terms under the same terms and conditions if agreed upon in writing by the parties.

Article VI. Modifications and Waivers

6.1 The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.

6.2 No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition.

6.3 The rights and remedies of the parties set forth in this Agreement are not exclusive of, but are cumulative to, any rights or remedies now or subsequently existing at law, in equity, or by statute.

Article VII. Termination

7.1 Termination for Convenience

7.1.1 County may terminate this Agreement at any time upon thirty (30) days written notice.

7.2 Termination for Default

7.2.1 County may terminate the whole or any part of this Agreement for cause in the following circumstances:

7.2.1.1 If Contractor fails to perform services within the time specified in the Scope of Services or any extension thereof granted by the County in writing;

7.2.1.2 If Contractor materially breaches any of the covenants or terms and conditions set forth in this Agreement or fails to perform any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in any of these circumstances does not cure such breach or failure to County's reasonable satisfaction within a period of ten (10) calendar days after receipt of notice from County specifying such breach or failure.

7.2.2 If, after termination, it is determined for any reason whatsoever that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the County in accordance with Section 7.1 above.

7.3 Upon termination of this Agreement, County shall compensate Contractor in accordance with Section 3, above, for those services which were provided under this Agreement prior to its termination and which have not been previously invoiced to County. Contractor's final invoice for said services will be presented to and paid by County in the same manner set forth in Section 3 above.

7.4 If County terminates this Agreement as provided in this Section, no fees of any type, other than fees due and payable at the Termination Date, shall thereafter be paid to Contractor.

Article VIII. Ownership and Reuse of Documents

All documents, data, reports, research, graphic presentation materials, etc., developed by Contractor as a part of its work under this Agreement, shall become the property of County upon completion of this Agreement, or in the event of termination or cancellation thereof, at the time of payment under Section 3 for work performed. Contractor shall promptly furnish all such data and material to County on request.

Article IX. Inspection of Books and Records

Contractor will permit County, or any duly authorized agent of County, to inspect and examine the books and records of Contractor for the purpose of verifying the amount of work performed under the Scope of Services. County's right to inspect survives the termination of this Agreement for a period of four years.

Article X. Insurance

10.1 Prior to commencement of the Services, Contractor shall furnish County with properly executed certificates of insurance which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days' prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

10.1.1 Workers' Compensation insurance in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed. Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.

10.1.2 Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability

for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

10.1.3 Business Automobile Liability insurance with a combined Bodily Injury/Property Damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.

10.1.4 Professional Liability insurance with limits not less than \$1,000,000.

10.2 County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation. All Liability policies including Workers' Compensation written on behalf of Contractor shall contain a waiver of subrogation in favor of County and members of Commissioners Court.

10.3 If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

Article XI. Indemnity

CONTRACTOR SHALL INDEMNIFY AND DEFEND COUNTY AGAINST ALL LOSSES, LIABILITIES, CLAIMS, CAUSES OF ACTION, AND OTHER EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF CONTRACTOR OR ANY OF CONTRACTOR'S AGENTS, SERVANTS OR EMPLOYEES.

Article XII. Confidential and Proprietary Information

12.1 Contractor acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is confidential to County. Any and all information of any form obtained by Contractor or its employees or agents from County in the performance of this Agreement shall be deemed to be confidential information of County ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (a) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (b) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; or (c) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.

12.2 Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to County hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use its best efforts to assist County in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limitation of the foregoing, Contractor shall advise County immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Contractor will at its expense cooperate with County in seeking injunctive or other equitable relief in the name of County or Contractor against any such person. Contractor agrees that, except as directed by County, Contractor will not at any time during or after the term of this Agreement disclose, directly or indirectly, any Confidential Information to any person, and that upon termination of this Agreement or at County's request, Contractor will promptly turn over to County all documents, papers, and other matter in Contractor's possession which embody Confidential Information.

12.3 Contractor acknowledges that a breach of this Section, including disclosure of any Confidential Information, or disclosure of other information that, at law or in equity, ought to remain confidential, will give rise to irreparable injury to County that is inadequately compensable in damages. Accordingly, County may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interest of County and are reasonable in scope and content.

12.4 Contractor in providing all services hereunder agrees to abide by the provisions of any applicable Federal or State Data Privacy Act.

12.5 Contractor expressly acknowledges that County is subject to the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 *et seq.*, as amended, and notwithstanding any provision in the Agreement to the contrary, County will make any information related to the Agreement, or otherwise, available to third parties in accordance with the Texas Public Information Act. Any proprietary or confidential information marked as such provided to County by Consultant shall not be disclosed to any third party, except as directed by the Texas Attorney General in response to a request for such under the Texas Public Information Act, which provides for notice to the owner of such marked information and the opportunity for the owner of such information to notify the Attorney General of the reasons why such information should not be disclosed.

Article XIII. Independent Contractor

13.1 In the performance of work or services hereunder, Contractor shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of contractor or, where permitted, of its subcontractors.

13.2 Contractor and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of County and shall not be entitled to any of the privileges or benefits of County employment.

Article XIV. Notices

14.1 Each party giving any notice or making any request, demand, or other communication (each, a "Notice") pursuant to this Agreement shall do so in writing and shall use one of the following methods of delivery, each of which, for purposes of this Agreement, is a writing: personal delivery, registered or certified mail (in each case, return receipt requested and postage prepaid), or nationally recognized overnight courier (with all fees prepaid).

14.2 Each party giving a Notice shall address the Notice to the receiving party at the address listed below or to another address designated by a party in a Notice pursuant to this Section:

County: Fort Bend County Department of Health and Human Services
4520 Reading Road, Suite A-100
Rosenberg, Texas 77471

With a copy to: Fort Bend County
Attn: County Judge
401 Jackson Street
Richmond, Texas 77469

Contractor: Kam-Syd, Ltd., dba, Bay Star Ambulance
P.O. Box 119
Baytown, Texas 77522

14.3 A Notice is effective only if the party giving or making the Notice has complied with subsections 14.1 and 14.2 and if the addressee has received the Notice. A Notice is deemed received as follows:

14.3.1 If the Notice is delivered in person, or sent by registered or certified mail or a nationally recognized overnight courier, upon receipt as indicated by the date on the signed receipt.

14.3.2 If the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no Notice was given, then upon the rejection, refusal, or inability to deliver.

Article XV. Compliance with Laws

Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required by County, Contractor shall furnish County with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

Article XVI. Performance Warranty

16.1 Contractor warrants to County that Contractor has the skill and knowledge ordinarily possessed by well-informed members of its trade or profession practicing in the greater Houston metropolitan area and Contractor will apply that skill and knowledge with care and diligence to ensure that the Services provided hereunder will be performed and delivered in accordance with the highest professional standards.

16.2 Contractor warrants to County that the Services will be free from material errors and will materially conform to all requirements and specifications contained in the attached Exhibit A.

Article XVII. Assignment and Delegation

17.1 Neither party may assign any of its rights under this Agreement, except with the prior written consent of the other party. That party shall not unreasonably withhold its consent. All assignments of rights are prohibited under this subsection, whether they are voluntarily or involuntarily, by merger, consolidation, dissolution, operation of law, or any other manner.

17.2 Neither party may delegate any performance under this Agreement.

17.3 Any purported assignment of rights or delegation of performance in violation of this Section is void.

Article XVIII. Applicable Law

The laws of the State of Texas govern all disputes arising out of or relating to this Agreement. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere. Nothing in the Agreement shall be construed to waive the County's sovereign immunity.

Article XIX. Successors and Assigns

County and Contractor bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Agreement.

Article XX. Third Party Beneficiaries

This Agreement does not confer any enforceable rights or remedies upon any person other than the parties.

Article XXI. Severability

If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions remain in full force, if the essential terms and conditions of this Agreement for each party remain valid, binding, and enforceable.

Article XXII. Publicity

Contact with citizens of Fort Bend County, media outlets, or governmental agencies shall be the sole responsibility of County. Under no circumstances whatsoever, shall Contractor release any material or information developed or received in the performance of the Services hereunder without the express written permission of County, except where required to do so by law.

Article XXIII. Captions

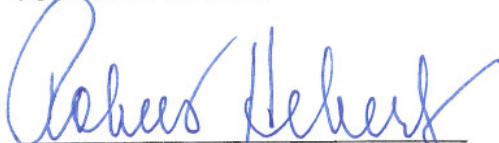
The section captions used in this Agreement are for convenience of reference only and do not affect the interpretation or construction of this Agreement.

Article XXIV. Conflict

In the event there is a conflict between this Agreement and the attached exhibit, this Agreement controls.

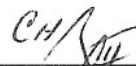
IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the 4 day of Feb., 2014.

FORT BEND COUNTY



Robert E. Hebert, County Judge

KAM-SYD, LTD., DBA, BAY STAR
AMBULANCE



Authorized Agent- Signature

Charles Bryan, II
Authorized Agent- Printed Name

President / CEO
Title

3.7.14
Date

ATTEST:

Dianne Wilson
Dianne Wilson, County Clerk



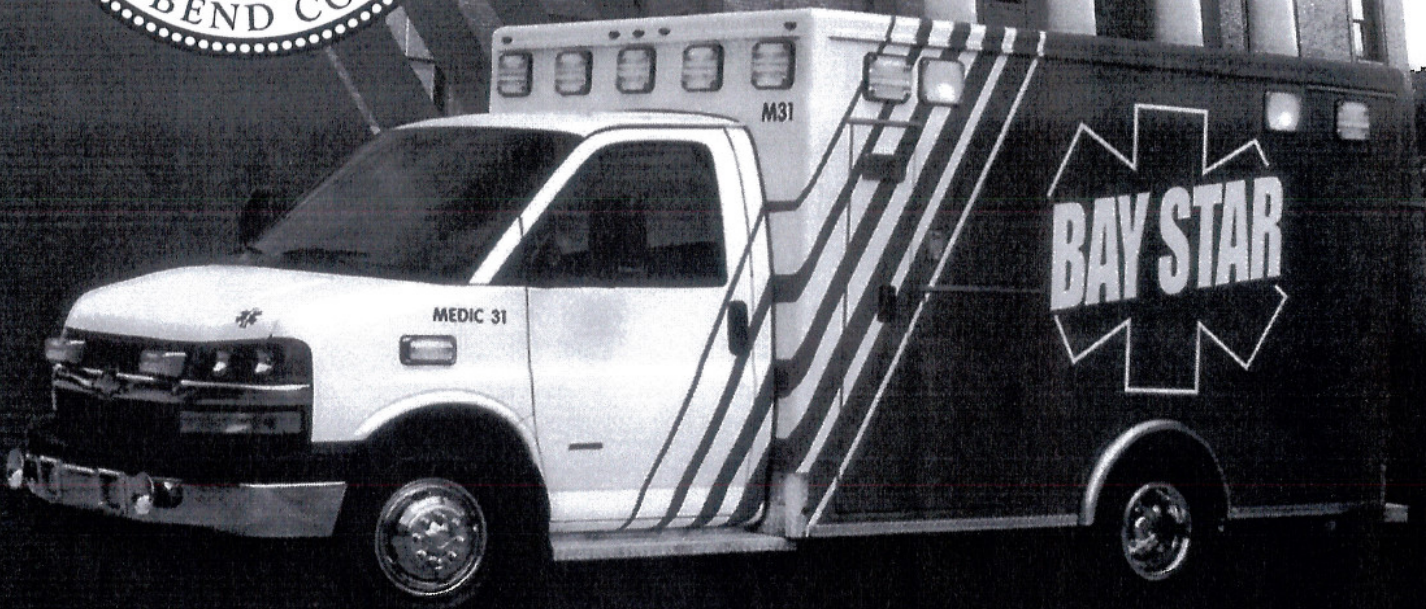
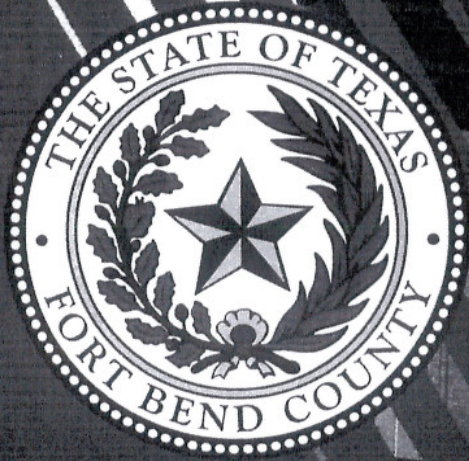
AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$10,000.⁰⁰ to accomplish and pay the obligation of Fort Bend County under this contract.



Robert Edward Sturdivant, County Auditor

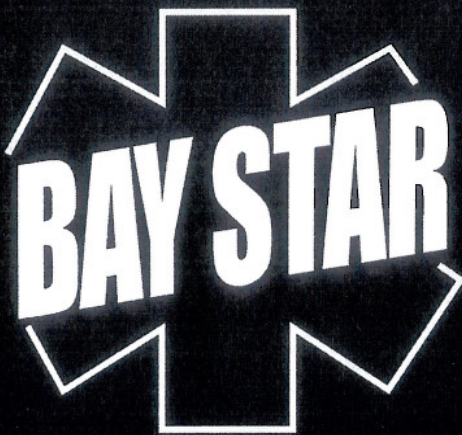
EXHIBIT A



FORT BEND COUNTY

R14-026

AMBULANCE TRANSPORT



12 Years of family helping families.

Bay Star Ambulance Service
3103 N Hwy 146
Baytown, TX 77520
281-427-1554

Fort Bend County
301 Jackson, Ste. 201
Richmond, TX 77469
281-341-8685



BAY STAR AMBULANCE SERVICE

Family Owned and Operated

**P.O. Box 119
Baytown, Texas 77522**

**281-422-7200 Baytown Dispatch
281-332-2255 Clear Lake Dispatch
1-877-771-7400 Toll Free
281-422-1999 Fax
www.baystaroms.com**

12/7/2013

Fort Bend County
301 Jackson Street
Richmond, Tx 77469

Dear EMS Selection Committee

Bay Star Ambulance Service would like to thank Fort Bend County for the opportunity to submit this proposal and appreciate the opportunity to respond to this RFP.

Bay Star has been providing premier services since 2001. We are the largest family owned ambulance provider in Harris & Fort Bend Counties. Remaining consistent with our core value that "patient care comes first" has enabled Bay Star to be the most trusted partner in our industry. At Bay Star we tailor our services around your needs. As one of the largest providers in Harris and Fort Bend Counties of emergent and non-emergent services, we take pride in our ability to provide these services. We believe it is the "extra mile" and our employee's touch that makes Bay Star the premier provider in Harris County & Fort Bend Counties.

With our expertise in these areas of medical transportation, we are confident we can provide Fort Bend County with the highest level of patient care, customer service and excellent response times. Our goal is to establish a working partnership that will grow within the community and will ultimately benefit the citizens of Fort Bend County. We believe that our proposal represents the quality and responsiveness necessary to service the needs of your community. We truly believe that we provide the best, most professional and safest service in our EMS industry.

The advantage Bay Star has over all other ambulance services is our leadership team. We all live in the area. We understand exactly what your citizens want and need. All decisions are made locally for the benefit of Fort Bend County. It is within our best interest to provide excellent service to Fort Bend County because we are a part of the area. If an issue ever arises you will be able to contact me, the owner who is local to you. We understand that we have to give a superior service to Fort Bend County. Bay Star and its employees know the Fort Bend Communities and would appreciate the opportunity to show you exactly how good of a service you will receive by using a family business that is local and a part of your wonderful county.

We are confident our proposal of services will result in a long-term partnership and we believe we will exceed your service delivery needs. We sincerely appreciate the opportunity to be considered to serve in this role and look forward to working with Fort Bend County. Please

feel free to contact me directly at the numbers listed below with any questions or if I may be of further assistance to you.

Sincerely,

Charles Bryan
CEO/President
Bay Star Ambulance

Office: (281)427-1554
Cell: (281)932-5676

cbryan@baystarems.com

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INTRODUCTION

Bay Star Ambulance Service ("Bay Star") is a family owned and operated ambulance service based in Baytown, Texas. Owners Charles and Kelly Bryan have over 41 years of combined experience in the emergency medical services ("EMS") industry and are both licensed paramedics. Since May 2001, Bay Star has provided emergency medical services and other medical transportation services to the residents of the Baytown, Houston, Webster, Clear Lake, and Pasadena, Texas. Since that time, Bay Star has grown to become the largest private ambulance service in Harris & Fort Bend Counties. Since 2011, Bay Star has had the privilege of extending our service area into Fort Bend County with the implementation of long term contractual obligations with two major hospital systems within the county. Bay Star considers its employees to be the backbone of its organization. Bay Star ensures that only well qualified staff are employed by the organization and attributes its success to these individuals. Bay Star takes seriously its obligation to ensure all employees are treated fairly and respected as professionals. Bay Star corporate headquarters is in Baytown with stations strategically placed across the Greater Houston Area. These offices are staffed 24 hours a day, seven days a week.

Voted – Best Ambulance Service in the Houston Metroplex in 2012 – we have been proven to increase patient satisfaction scores and improve patient outcomes with our hospital partners.

Bay Star is a high performance ambulance service. With our vast amount of ambulances and resources, we are able to respond one or several ambulances to support Fort Bend County Operations within minutes. We provide all the emergency transportation for the Methodist and LifeGift Transplant Centers. We have provided stand-by, on-site emergency care to chemical plants, hospitals, cardiac-cath labs and hundreds of special events. All while maintaining an on-time compliance of 97% with our hospital partners in day to day operations. For the past 12 years we have provided back-up 911 EMS services to the City of Deer Park and all of our surrounding local EMS providers. Bay Star's resources are here, within your community. Not in another state or on the other side of Houston. Because of Bay Star's resources and extensive experience in coordinating care for large-scale events and facilities. Bay Star has become the number one choice of municipalities and private organizations for coverage year after year.

In 2010, Bay Star Alone, relocated 132 patients to Kindred Bay Area New hospital in less than 3 hours.

Bay Star has an existing fleet of over 45 ambulances and 25 support vehicles. Bay Star's ambulances are staffed to handle emergency calls 24 hours a day, 365 days a year. Bay Star's EMS services include: emergency transportation, inter-facility transfers, non-emergency ambulance transports, critical care transportation, mutual-aid EMS back-up, disaster planning and response, and wheelchair accessible van transportation. Bay Star conducts its own maintenance on all the vehicles in its fleet. Direct control of maintenance guarantees that Bay Star's units are safe, reliable and available in numbers sufficient to meet normal as well as extraordinary demands.

Bay Star specializes in critical patient transportation. Since we maintain this high level of performance our medics are trained on a more advanced level. We have to empower our medics with the knowledge to transport a tiny newborn neonate to an unconscious critical patient needing immediate, emergency head or heart surgery without any incidents. We are so successful that we are the leading ambulance service in Houston providing critical transportation for seriously ill or injured persons. Bay Star is now the only ambulance service for Texas Children's Hospital System and their healthcare plans. Our medics are responsible for transporting Texas Children's kids who are ventilator dependent and chronically unstable, for all of their needs. Education of our staff is so important that Bay Star requires all of our Paramedics to maintain all of their Advanced Certifications regardless such as ACLS, PALS, ABTLS. Bay Star's desire for education of our staff has led us to be a training site for the American Heart Association, where we not only educate our employees but the hospital staff and many residents of our communities.



In addition, with our large fleet and advanced medical training, what else makes us a high performance ambulance service? Our equipment! We carry the best medical equipment in our industry. Bay Star carries more medical equipment than most other ambulances providers in Houston. Our most exciting addition is our portable ventilator with the Impact EMV + Vent which is used by our military, and is the best in our industry for non-breathing critical patients. As well our units are equipped with the Medtronic LifePak 15 monitors capable of 12-Lead EKG data transmission, NIBP, SPO2, CO2 features. With the most advanced equipment and highly trained personnel monitoring patients you can see why we are the leading provider in Harris County. When other providers refuse to transport, Bay Star always comes to "the rescue".

Bay Star's first priority is patient care. The EMS system is designed to provide efficient and reliable services at a reasonable cost to consumers, and to provide the community with an operationally and financially stable patient transportation system. Bay Star strives for clinical excellence, cost containment, and a professional and courteous service. Bay Star has developed good cooperative relationships with the municipalities it serves. Bay Star places great emphasis on patient's needs and can accommodate many special requests. The professional attitude of Bay Star's EMT and Paramedic teams and their sensitivity to individual needs gives patients confidence in knowing that they are in capable hands. This is the reason why many patients specifically request Bay Star for their transport needs.

Bay Star utilizes Paramedic Intercept Services, the latest and most efficient method for delivering EMS in the field. The Intercept Services allow Bay Star to better utilize Paramedics for Critical Care transports, emergency calls and an occasional lift assist. Throughout Bay Star's coverage region, on-duty paramedics ride in a SUV-type vehicle with full Advance Life Support equipment such as: IV pumps, portable ventilators, EKG monitors, and their own airway bag and drug bag. All SUV's are equipped with LED lighting packages and dual sirens for the safety of Paramedics and other drivers. Intercept vehicles are staffed 24 hours a day at all of Bay Star's locations.

Bay Star provides dispatch services for its emergency and non-emergency transportation services. Bay Star's dispatch center staff is well qualified to answer patient inquiries, set up patient transports, or provide immediate vehicle dispatch in emergency situations. The entire process of call receiving, dispatching, and fleet monitoring is accomplished through a sophisticated computer aided dispatch ("CAD") system. Other computer systems linked to the CAD system provide the capabilities of call review, fleet summary, call volume, response times and performance trends, which are constantly monitored, managed, and used to update the company's deployment plan. Bay Star staffs its dispatch center 24 hours a day, 365 days a year.

The experienced staff of Bay Star's billing department works with field providers, patients, and patient's insurance carriers to assure timely billing and handling of claims. Bay Star accepts Medicare, Medicaid, and all private insurance and private pay. Billing practices are designed to be compassionate and customer service oriented while being timely, thorough and performed in accordance with sound business practices and applicable laws, regulations and guidelines. Account representatives are available and willing to assist patients with questions and concerns regarding their bills. Bay Star accepts Visa, Discover, American Express and MasterCard.

Because of Bay Star's vast company resources and extensive experience in coordinating care for large-scale events, Bay Star has become the number one choice of municipalities and private organizations for standby coverage year after year. Since 2001 Bay Star has provided on site emergency care at hundreds of special events throughout the Houston, Baytown, Galveston, Pasadena, Fort Bend County and surrounding areas.

You see, we believe we have "Mastered" our industry. With the resources in place, along with a great team and excellent oversight, Bay Star is the Ambulance service of the future. Bay Star Ambulance is established, viable and healthy. We will be here for many years to come.

If you choose Bay Star, we guarantee you will be very satisfied with our services. Bay Star is the Best Ambulance Service in Houston.



STANDARD OPERATIONS

1. Staffing and Deployment Methods

Bay Star has the capability to meet the vehicle and staffing requirements to furnish all emergency ambulance services for the service area. Bay Star has the capability to manage all aspects of field operations including but not limited to: office personnel, equipment maintenance, in-service training, quality improvement monitoring, purchasing and inventory control, and support services. In addition, Bay Star will conduct all billing and collection activities for any emergency & non-emergency services rendered by Bay Star.

Bay Star will provide a timely response to requests for emergency ambulance services within the service area. Bay Star's ambulances will be equipped with necessary on-board durable and reusable medical equipment, radio and communications hardware, billing computer system hardware and software, and other equipment employed by Bay Star for the delivery of emergency and non-emergency services.

2. Communication Center Management

Bay Star will ensure that its crews have the ability to communicate with the dispatch services and will outfit its vehicles and crews accordingly. Bay Star's dispatch communications equipment will include radios, cellular phone equipment, and all other equipment and software employed by Bay Star in the delivery of emergency services. Bay Star's ambulances will be capable of mobile communications with other responders and area hospitals. Bay Star also has a deployable mobile communications/command center, which can be utilized as a regional asset upon request.

3. Field Supervision

Bay Star will furnish the services of a Medical Director for emergency services. Bay Star's Medical Director will establish appropriate standards of care. As advancements become known and available from time to time, the Medical Director will work to subsequently enhance the standards of care by incorporating these new standards where appropriate. In addition, the Medical Director will work to correct defects in the emergency system discovered as a result of the quality improvement program. No standards of care shall fall below the minimum standards required by federal, state, and local laws, standards and protocols.

4. Training and Management of Clinical Personnel

Bay Star understands that ambulance services are often rendered in the context of stressful situations. Bay Star requires professional and courteous conduct at all times from all of its personnel. Bay Star prides itself on the quality level of personnel it hires and maintains, and provides periodic training to remind its employees of these standards and review of personnel to ensure that these standards are maintained.



All persons employed by Bay Star will be competent and holders of appropriate licenses and permits in their respective professions. Bay Star will ensure its employees undergo routine training and evaluation. Bay Star performs criminal background checks, obtains driving records (where applicable), and drug tests all new hires.

5. Recruitment, Orientation and Retention of Personnel

Bay Star's Medics will work either 12 or 24-hour shifts according to availability and seniority. Bay Star will compensate its employees in accordance with all federal and state wage laws including paying overtime for all non-exempt employees who work more than forty (40) hours in a workweek.

Bay Star will comply with all applicable federal, state, and local laws and regulations prohibiting discrimination. This includes compliance with Title VI and VII of the Civil Rights Act of 1964 and all other applicable state and federal regulations. Bay Star does not and will not discriminate against any patient, employee or applicant for employment because of race, religion, color, ancestry, disability, national origin, gender, sexual preference, or age. Bay Star always takes steps to ensure that services are provided, employment is offered, and that employees are treated equally.

6. Quality Improvement Process Management

Bay Star always responds to the desires and needs of its service area, and takes seriously any complaints lodged against it. Bay Star prides itself on its desire to continually strive to be the best, learn from its mistakes, and take the appropriate steps to meet the needs of its employees, patients and business partners. Bay Star receives, processes, and follows up on all inquiries and complaints about its EMS service. In responding, Bay Star will be sensitive to limitations imposed by patient confidentiality restrictions. Additionally, Bay Star will continue to employ internal QA/QI measures to strive to correct issues and improve the quality of service provided to the service area.

7. Interactions with First Responders

Bay Star will provide the necessary number of fully-staffed ambulances for the service area on a 24-hour basis to ensure comprehensive coverage for every resident and visitor in the service area. If and when all ambulances designated for the service area are on call, Bay Star will place another ambulance into service at a central location within the service area to respond to overload calls.

Bay Star crews will work in concert with Fort Bend County responders to ensure that the patients are offered the highest possible level of care. If and when necessary, Bay Star will permit Fort Bend County Responders to board their ambulances in order to continue patient care and/or perform clinical interventions.

8. Management of Material Management and Distribution System

Bay Star Ambulance has a detailed Medical Supply Management and Distribution Plan that provides us the



capability to procure and maintain pharmaceuticals and medical supplies prior to operations, distribute, inventory and track these materials during the course of operations. As a result of this, critical medical supplies and equipment are appropriately secured, managed, distributed, and restocked in a time frame appropriate to operational necessity. Our plan has the proven capability to support Emergency Support Functions (ESFs) in the areas of Transportation, Communications, Emergency Management of, Resource Support and long-term recovery & mitigation.

Bay Star's Medical Supply Management Department is centralized at our local central headquarters in Baytown, TX. This location is the primary location where all bulk supplies and equipment are received, inventoried, stored and distributed as necessary via strategic deployment methods. We have established strong and long-term relationships with national medical supply and equipment vendors and/or manufacturers. This has proven to be instrumental to our materials management & distribution plan to ensure timely and cost-efficient procurement, receipt and delivery of materials to our personnel on a consistent basis.

9. Fleet Management

Bay Star has the capability to provide and maintain all ambulances, on-board medical supplies and equipment, and office facilities and equipment to be used by Bay Star in rendering services to the service area. Bay Star currently owns and maintains all on-board communications equipment that will be used. Bay Star will strive to ensure that no ambulance, when fully equipped and containing a personnel and patient payload will exceed the manufacturer's maximum gross vehicle weight (GVW) rating for the ambulance. Bay Star will ensure that it has adequate reserve ambulances to service the County.

All on-board equipment, medical supplies, and personal communications equipment utilized by Bay Star will meet or exceed the minimum ambulance stocking requirements established by Bay Star's Medical Director. Bay Star's ALS ambulances will be equipped with: cardiac monitoring, pulse oximetry, AEDs, 12 lead EKG capabilities, data transmission, glucometers, portable ventilators, IV pump therapy, cardiac drugs, oxygen, pacing. Bay Star will ensure that it has adequate reserve equipment to service the service area. Bay Star will properly maintain all ambulances, support vehicles, and on-board equipment used. Bay Star will maintain reserve back-up units at all times. Bay Star will ensure that 24 hour on-call maintenance service is available for its fleet, and has arrangements for towing and roadside tire service when needed.

Bay Star performs all vehicle maintenance and repair work in-house and has a fully equipped maintenance shop to provide routine maintenance and repairs to our fleet. Mechanics are on call 24 hours a day. Bay Star also employs a preventive maintenance program and maintains daily service records on each unit. A visual inspection, refueling and checking of all fluid levels and inventory of all equipment is performed every night. If Bay Star discovers that any ambulance, support vehicle and/or piece of equipment has a deficiency that compromises its function, Bay Star immediately removes it from service. Bay Star understands that the appearance of ambulances and equipment impact customer's perceptions of the services provided.



10. Driver Training and Risk Management

The safety of our staff and patients is one of our top priorities. All medics and field personnel are required to attend (and successfully complete) our Emergency Vehicle Operators Course (“EVOC”). This EVOC follows the current National Highway Traffic Safety Administration (“NHTSA”) National Standard Curriculum and is designed to provide a basic knowledge for safe day-to-day operation of the ambulance. This is a 16-hr, two-day course. Staff complete the first 8 hours in the classroom setting then complete the course with an 8 hour hands-on session on a closed driving course. Skills taught include precision turning and backing as well as crash avoidance techniques. Bay Star maintains NHTSA EVOC Master Instructors on staff within our organization to monitor and ensure the accuracy and overall success of this program.

To ensure safety of patients, crew members and the community, Bay Star works hard to ensure our risk management program functions on a day-to-day basis. Areas we address consist of, but are not limited to:

- Continuous research and testing of ambulance vehicle design including the overall structure and interior structures such as grab rails, compartments and equipment restraint systems.
- Monitoring of Department of Transportation (“DOT”) ambulance crash data as to make any safety recommendations toward our organization.
- Careful selection and use of vehicles that meet or exceed government and industry safety standards.
- Use of functional occupant restraint systems and personal protective devices that meet or exceed government and industry standards.
- Continuous development, implementation and enforcement of safe driving policies and procedures which meet or exceed industry standards, including training, observation and onboard monitoring systems.
- Commitment to our vehicle maintenance program in order to meet or exceed manufacturers’ and regulatory requirements.

Bay Star’s Risk Management Team is committed to ensuring the highest of standards and best practices of our industry are in place to ensure we always provide a safe and efficient service for our patients and the communities we serve. We are committed to a safe and high performance system within our Risk Management Program with practices to ensure suitable ambulances and equipment, supplies, trained employees, high performance traffic control and voice communication facilities.

11. OSHA Compliance and Exposure Control

Bay Star maintains current OSHA compliance and exposure control standards. However, we recognize that certain regulatory requirements for occupational safety and health, including but not limited to infection control, blood-borne pathogens and tuberculosis, periodically change. Bay Star is committed to monitoring OSHA standards, and always makes necessary adjustments to its operational policies and procedures that meet or exceed all requirements for dealing with these matters. Bay Star provides personal safety equipment for all employees in accordance with current federal and state standards. Bay Star will maintain or replace any personal safety equipment as required.



12. Participation in Medicare/Medicaid Compliance Programs

Bay Star currently participates in the federal Medicare program and in the state Medicaid Program. As discussed in greater detail below, Bay Star maintains a “Compliance Program” to ensure that it complies with Medicare/Medicaid billing requirements.

13. Compliance and Quality Assurance Methods for Third Party Billing

Bay Star performs its billing “in house” and does not utilize the services of a “third party billing service.” Bay Star will conduct all billing and collection services for emergency services it provides in a professional and courteous manner. Bay Star will make reasonable efforts to collect charges from patients and third party payors, without unduly pressuring those who legitimately cannot pay. Bay Star takes steps in its billing office to ensure that the appropriate payor is identified and billed for services rendered (e.g. appropriate primary insurance (as applicable), as opposed to billing the patient directly).

Bay Star’s internal billers always review the documentation from its field providers for completeness and eligibility for reimbursement and to assure compliance under applicable laws, regulations or payor rules. Bay Star will provide a customer service representative to handle patient billing questions and make available a phone number for inquiries from patients and third party payors. Bay Star is committed to ensuring complete patient satisfaction and will work with patients and/or their insurers to address concerns, discrepancies and payment issues.

14. Accounts Receivable Management

A priority goal of the Bay Star Billing Department is to ensure best practices are in place regarding any accounts receivables (also known as patient accounts).

Bay Star is committed to ensuring that all staff members involved in the Accounts Receivable process maintain a full understanding of the revenue cycle and the AR collection. Eight specific areas of AR Management include:

1. Legal Concepts
2. Contract Negotiation (Managed Care Organizations)
3. Compliance
4. Patient Rights
5. Patient Access
6. Charge Capture
7. Health Information Management
8. Patient Financial Services

Bay Star has a proven track record in excellence in regards to our billing and accounts receivable management. We are members of the American Ambulance Association (“AAA”) and Health Care Billing & Management



Association (“HBMA”). Our billing staff and management are currently certified by the National Academy of Ambulance Coding (“NAAC”). NAAC is an intensive (25+ hour) course devoted to ambulance compliance and billing practices. All of these efforts are in place to ensure Bay Star always conducts our business in accordance with nationally accepted best practices, standards and regulations.

15. Response Time Performance

Bay Star’s Response time performance is achieved by a combination of dispatch operations and field operations. Appropriate response time performance is the result of a coordinated effort of the Bay Star’s field operation and subject to a number of factors including demand for services and availability of regularly staffed ambulances. Bay Star’s internal dispatch function, CAD system, communications equipment, large fleet, and strategic placement of vehicles across a service area helps to ensure prompt response to transport requests. Bay Star is confident that it will achieve the response time requirements outlined in the RFP.

16. Ambulance Maintenance Practices

Bay Star is committed to providing a reliable fleet in all the areas it serves. We staff and equip all of our ambulances with the most modern equipment so that our medics are able to respond to each emergency or non-emergency request for service fully prepared to meet the needs of our patients. Our field personnel are confident that the equipment they need for any situation is reliable.

Bay Star currently fields a fleet of nearly 50 Type 2 and 3 diesel ambulances, all of which comply with the U.S. Department of Transportation and State of Texas requirements. Each ambulance operates on a diesel engine, which experience has shown can be expected to last for 200,000 miles or more. Bay Star, however, typically replaces or refurbishes each vehicle when it reaches the end of its life expectancy of 150,000 miles. This more rigorous standard is maintained to avoid service related vehicle failures, which can increase with vehicle age.

In addition to the standard ambulance package, all ambulances are equipped with modified inverters, ensuring optimal power sources for running highly sophisticated medical equipment without compromising the integrity of patient care or that of the patient care data being obtained. This enhancement is an essential tool for certain high-risk patients who require critical care monitoring and therapies normally limited to the in-hospital environment. Each Bay Star ambulance is distinctly marked with the Bay Star name and a unit number, and is equipped with emergency warning devices in compliance with Texas statutes.

Bay Star has in place effective and well-monitored preventive maintenance (PM) and parts inventory control programs. Bay Star’s maintenance program incorporates the following objectives:

- Eliminate equipment failure that may endanger human life, ensuring the most professional and effective delivery of pre-hospital care possible through the availability of efficient, dependable, state-of-the art equipment and through minimized unit out-of-service time.
- Demonstrate Bay Star management’s emphasis on providing quality service by providing quality equipment.



- Maintain high employee satisfaction.
- Promote a public image of Bay Star as a high-quality organization.
- Identify equipment specifications and modifications for future equipment.
- Reduce operating costs caused by non-productive maintenance standards and provide real time cost accounting and inventory controls for systematic management of appropriate maintenance supply levels.
- Identify equipment that warrants refurbishment or early retirement.
- Lower operating costs by improving fuel economy and by promoting efficiency through maintenance practices.

The Bay Star PM program has several goals. When crews begin their shifts, the amount of time spent preparing a unit for service is essentially non-productive time. All Bay Star crews are empowered to place a vehicle out of service, or not accept for service any ambulance or piece of equipment that appears to be unsafe or unable to perform its primary function. Maintaining response-ready vehicles, which requires a minimum of crew-preparation time before entering the system is not only cost-effective but substantially enhances a crew member's level of satisfaction and professional attitude.

Additionally, employees have more respect for and take better care of vehicles and equipment that are clean, functional and well maintained. This has the further effect of enhancing the overall quality and delivery of pre-hospital medical care in the field. Bay Star realizes that a quality fleet maintenance program improves the quality of equipment and establishes appropriate relationships between field personnel and mechanical personnel. This relationship is reinforced through regular inspections, accountability, documentation and scheduled preventive maintenance. Each Bay Star vehicle is scheduled for an extensive PM check and safety inspection every 5,000 miles, and whenever necessary for minor repairs.

One of the goals of Bay Star's PM program is to maximize vehicle reliability and longevity. The program has many similarities with and is modeled after the aviation industry's maintenance philosophy. For instance, like the aviation industry, Bay Star subscribes to a regimented component replacement schedule. Through years of collecting data and analyzing component wear and tear, Bay Star has instituted a program that replaces key vehicle parts at 75 percent of their expected life. To maintain a high level of component reliability, Bay Star uses only original equipment manufacturer (OEM) or equivalent parts. Bay Star's preventive maintenance ensures the highest level of dependability while improving the safety of the fleet.

The Bay Star PM program consists of seven service levels. Field crews conduct the first level daily at the beginning of each shift by completing a checklist and visually inspecting their vehicle. If problems are discovered during this inspection, the crew is to document either a vehicle failure report or a equipment failure report form and or report directly to the on-duty supervisor who schedules the maintenance based on level of importance.

The second level of service is the "A" service, which occurs at 5,000-mile intervals and consists of an oil change, brake inspection, rotating tires, changing air filter and a 100-point safety inspection. The "A" service is conducted by a qualified mechanic and reviewed by a supervisor. All problems and deficiencies discovered at this time, plus all minor repairs noted from previous visual inspection, are corrected.



The third level of service, the "B" service, occurs at 10,000-mile intervals. It includes an "A" service plus Alignment.

The fourth level of service, the "C" service, occurs at 15,000-mile intervals. This consists of "A & B" services plus Transmission servicing, band adjustment and fuel filter replacement.

The fifth level of service, the "D" service, occurs at 50,000-mile intervals. This consists of "A, B & C" services plus Differential service, Wheel bearing pack, Inspection of turbo bolts, and Resealing of the H/P oil pump.

The sixth level of service, the "E" service, occurs at 100,000-mile intervals. It consists of the "A, B, C, & D" service plus Replacing front and rear shocks, Replacing emergency brake shoes, Replacing cam sensor, Replacing U-joints, Replacing vacuum pump, servicing the cooling system.

The seventh and final level of service is the "F" service. This service, which occurs at 150,000-mile intervals, consists of the "A, B, C & D" service plus radiator replacement.

All repairs and services are documented on a repair order, which is filed along with all other individual vehicle information. Computerized fleet management software tracks all repairs, PM services and parts inventories, allowing Bay Star to immediately access maintenance history summaries and identify potential problem patterns with every vehicle in its fleet. Bay Star prides itself on its detailed vehicle maintenance schedules – after all, these vehicles are the lifeblood of the operation, and these vehicles must be operating at peak performance.

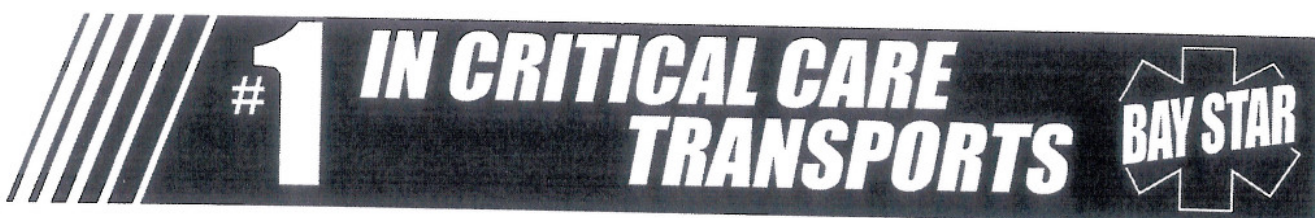
A. Equipment Maintenance Practices

Bay Star takes pride in being able to continually provide the highest quality and most dependable equipment available for its patients. Extensive field evaluations are used to choose this equipment. Bay Star places equipment out of service any time an employee believes it is not performing as it should.

In the event that a piece of equipment should fail while on a response, the crew is required to place the equipment out of service and notify a supervisor. Notifications are made to the on-duty field supervisor and the director of operations. Notifications are followed by filling out an equipment failure report detailing the exact nature of the equipment failure, how it potentially compromised patient care and any measures that may have prevented the failure from occurring. Areas of improvement are identified through a clinical review, additional training is provided if indicated, and a product review is conducted searching for trends or areas in which the device can be improved.

To ensure adequate equipment reserves, Bay Star commits to maintaining a stock of 125 percent of the peak staffing levels of all major medical supplies, including biomedical equipment.

All repairs and inspections on Bay Star equipment are documented. A complete database is recorded for all work done on the equipment, which allows maintenance crews to spot developing trends in repair or replacement requirements. If a piece of equipment is found to be unreliable, the equipment will be removed from service.



Bay Star maintains an Extended Service Contract service agreement with Medtronics on all of our Medtronics EKG monitors. Every year, all of our Medtronic EKG monitors are regularly maintained and calibrated to manufacturer's specifications, which include any upgrades to keep our equipment on the "cutting edge". Only Medtronic approved parts are used to maintain and/or repair our equipment.

Patient handling and lifting operations represent a tremendous potential for liability, which is why Bay Star has taken such a proactive approach to stretcher maintenance and repairs. All major repairs or work involving the frame of the gurney are done by the manufacture. Any malfunction, regardless of how minor, necessitates the immediate removal of the stretcher from service, and it will not be returned until repaired, tested and certified as safe for patient care.

In addition to carrying out some repairs in-house, Bay Star maintains a number of agreements for the provision of preventive maintenance and repairs for its biomedical equipment, communications equipment and specialized gear. Only factory-authorized technicians and/or organizations are contracted for such services. Documentation of all maintenance work on such equipment is on file with each vendor. Additional documentation as required by regulatory agencies is available for inspection.

The equipment listed below will be considered capital items and on the preventive maintenance (PM) and replacement schedule (RS) as reflected:

| ITEM | PM | RS |
|---------------------------------|-------|--------------|
| Cardiac monitors | 6 mo. | 5 yr. |
| Cardiac monitors batteries | 1 mo. | 1 yr. |
| Glucometer | 6 mo. | 3 yr. |
| Pulse oximeter | 6 mo. | 5 yr. |
| Oxygen Demand valve | 1 yr. | 5 yr. |
| Long spine board | N/A | 5 yr. |
| Short spine board | N/A | 5 yr. |
| Sager splint (Adult/pedi model) | N/A | 5 yr. |
| Primary stretcher | 6 mo. | 5 yr. |
| Auxiliary cot | N/A | 5 yr. |
| Scoop stretcher | 6 mo. | 5 yr. |
| Blood pressure cuffs | 6 mo. | As necessary |
| Stethoscope | N/A | As necessary |
| Intubation Equipment | Daily | As necessary |
| Fire extinguisher | 1 yr. | As necessary |
| AED | 6 mo. | 5 yr. |
| CPAP | 6 mo. | 5 yr. |
| Port Vents | 1 yr. | 5 yr. |



Bay Star utilizes Stryker Power Pro stretchers. This stretcher will rise and fall by simply a push of a button. This technology has only been out for 8 years and Bay Star was the first ambulance service in Texas to equip every ambulance with a Power Pro Stryker stretcher. We felt it was an investment for our employees and safety for our patients.

17. Personal Safety Equipment

Personal safety equipment will be provided for all Bay Star Ambulance's employees in accordance with federal and state standards. Bay Star will maintain or replace any personal safety equipment required for the performance of this contract.

Examples of this include but not limited to:

- Bay Star Reflective Safety Vests
- Bay Star Rescue Helmets
- Personal Protective Equipment (Gown, Masks, Gloves, etc..)

18. Stand-By and Special Events Coverage

Upon request by Fort Bend County, Bay Star Ambulance will provide courtesy stand-by coverage at incidents involving a potential danger to the personnel of the requesting agency or the general public if the coverage will not adversely impact operations. In the event Bay Star receives conflicting requests for stand-by services and cannot meet all of the requests; Bay Star will provide coverage at our discretion. However, we are confident that in most instances will be able to accommodate all requests due to our resource capacity and experience.

19. Community Service and Education

Background

Community involvement has always been paramount to Bay Star. We have a long and distinguished record of conducting community education and safety prevention programs in the many areas in which we do business. As a visible public safety provider, we understand that the actions (or non-actions) of an EMS provider agency can send a powerful message to members of the communities and such organizations we serve. We are proud of our community involvement and look forward to participating in the many special events held annually in the Community in the years to come. For a list of community services we provide and various sponsorships, please see attachment .

We pledge to continue to offer the multitude of community education and safety prevention programs we have for many years within communities we are awarded under any resultant agreement. For example:

Public Information and Education Programs

From our inception we have reached out to various groups such as local school campuses by participation in career days, unit demonstrations. Senior citizen groups, church groups and Boy Scout and Girl Scout troops to offer information and guidance. In addition to our public service advisements, Bay Star regularly provides



first aid and CPR training to various community groups such as church groups, senior citizen groups and board and care facilities. Bay Star Ambulance is known as the “White House” of the AHA due to our established and highly respected community education training programs available monthly to the general public. Supporting courses such as BLS Healthcare Provider, ACLS, PALS, First Aid, Heart Saver CPR to name a few. We also have also conducted many injury prevention lectures inside of the local community nursing homes, such as fall prevention, trach care & management, Stroke Assessment and Recognition. We will continue our civic outreach to the communities of Fort Bend County through local support of the Chamber of Commerce and other community events.

Bay Star will also make available and provide continuing education course and credit opportunities to any resident, County First Responder within Fort Bend County. This is done in compliance with the Texas Department of State Health Services Bureau of Emergency Management.

Other Community Service Programs

We provide ambulance standbys at various youth sporting events and community events in the areas we serve including football games, parades, chili cook offs, fund raisers, fairs and festivals. In addition to providing ambulance standby service at local events, Bay Star regularly provides company representatives and display booths to offer the public event attendees’ information regarding various EMS related public service educational messages or EMS career information.

In addition, Bay Star will/can coordinate other community driven initiatives, that will include in cooperation with Fort Bend County officials:

- Working with area high schools, law-enforcement, first responders, hospitals to educate on the dangers of drinking and driving. This popular “Shattered Dreams” program provides a real-life scenario of a mock/planned DUI accident that unfolds in front of hundreds of students which are residents of Fort Bend County.
- Working with local schools to educate students on public safety, including bicycle helmets, seatbelt use, ATV safety and more. Elementary students will be trained on how and when to call 911 and what to do in an emergency.
- Bay Star will provide the residents of Fort Bend County an abundance of opportunities throughout the year to participate in community-education programs emphasizing preventative health care such as bystander CPR training and training on Automated External Defibrillators (AEDs). These programs will be made available to schools and other community organizations, and will be planned together with the county.
- In addition to providing standby services at community festivals, health fairs to provide wellness checks, and to offer ambulance tours and activities for kids. Bay Star will also provide use of its State of the Art Mobile Command Trailer for use at large scale events by FBC and Event officials in cooperation with Bay Star Ambulance.
- Bay Star Ambulance is a huge supporter of the American Cancer Society, having served as an Event Chairperson for the Relay For Life in neighboring communities, leading to very successful outcomes. We will extend our support, talent, time and resources to this mission in the Fort Bend County Communities as well.



FAMILY OWNED & OPERATED

- Our “Pink Cancer Ambulance” will also be made available to the community for special show and tells and public appearances throughout the county.

20. Participation In System Development

Bay Star Ambulance will attend any county meetings as deemed necessary.

Bay Star Ambulance is committed to ensuring that we have very effective lines of communication with our customers. Bay Star will make every effort possible to exceed the expectations pertaining to system development. We will work very closely with Fort Bend County officials to constantly analyze, plan and identify potential or probable further development needs for the improved delivery of overall emergency medical services to the citizens of Fort Bend County.

21. Disaster Assistance and Response

Bay Star has the available man-power, vehicles and equipment to meet the requirements outlined by Fort Bend County in this RFP. Additionally, Bay Star has the capability to provide disaster response and assistance in the event of natural or man-made disaster. Because of its large size, multiple stations, and existing large number of personnel, Bay Star would be capable of performing its routine contractual duties (on behalf of municipalities and facilities) but also be able to handle additional disaster response requirements and obligations that may arise.

Bay Star Ambulance has always taken great strides to make sure we are on the fore front of education and preparedness. We have been actively involved with regional agencies such as the South East Texas Regional Advisory Council (SETRAC) and Regional Healthcare Preparedness Coalition (RHPC) over the years. Having served in key leadership roles such past and present day. Currently our Chief Operating Officer serves as Chair for the EMS track within the RHPC. Bay Star has developed a vast amount of experience and expertise in responding quickly, efficiently and safely to mass events. Such as community evacuations, hospital and nursing facility evacuations. Having developed strong working relationships with other agencies such as SETRAC, EMTF-6 (Emergency Medical Task Force) and the newly formed AMOPS (Ambulance Operations Plan) for the State of Texas. Bay Star has repeatedly proven to be a dedicated and proven partner in preparing, as well responding to disasters of many magnitudes.

Examples of Bay Star Disaster Deployments

| | |
|-----------------------|-----------|
| Hurricane Katrina | Aug 2005 |
| Hurricane Rita | Sept 2005 |
| Hurricane Gustav | Aug 2008 |
| Hurricane Ike | Sep 2008 |
| Thanksgiving I-10 MCI | Nov 2012 |
| Kindred East Evac | May 2013 |

Bay Star will be actively involved in planning for and responding to any declared disaster in Fort Bend County. Bay Star will ensure that field level personnel are compliant in National Incident Management System (NIMS) ICS-100 and ICS-700. All supervisory personnel will be required to be compliant with



ICS-100,200,300,400,700,800.

If a disaster occurs within Fort Bend County or a neighboring jurisdiction as declared by the County's Emergency Management Coordinator or Mayor, normal operations will be suspended and Bay Star Ambulance will respond in accordance with the County's disaster plan, if called upon. Bay Star will use its best efforts to maintain primary emergency services and may suspend non-emergency services if deemed necessary.

In addition, Bay Star Ambulance will make available and deploy our State of the Art Mobile Command/ Communications Trailer. This asset will be utilized for direct command functionality of Bay Star Ambulance and its operations in cooperation with County Emergency Management officials, This asset has full regional radio interoperability, as well equipped with CAD and TelCom capabilities. This asset will allow Bay Star Operations staff to more seamlessly coordinate, respond and provide a seamless disaster response.

22. Medical Oversight

Bay Star currently has a Medical Director whose primary duties include developing and revising Medical protocols and providing guidance in patient care, treatment and transportation. The Medical Director is also responsible for creating and revising Communication Center protocols, employee evaluations, audit programs, training programs, and medical audits in addition to but not limited to the following:

- Maintains an appropriate Standard Of Care
- Enhances the standard of care system discovered as a result of the quality improvement program. No change will be made in the standard of care system that results in standard that is less than minimum standards required by the State.
- Develop local medical control standards and requirements for EMS Personnel providing care under the Medical Director's authority in accordance with the then current Standard of Care System.
- Administer the approval, testing and authorization for EMS personnel, and to establish and promulgate written guidelines.
- Suspension or revocation of the authority to provide care by any first responder, other EMS Personnel.
- Guidelines for on-line medical control.
- Standards applicable to ambulances and on-board equipment used in the delivery of First Responder Services and emergency ambulance services within the county.
- Report once a year, in writing, to FBC on the quality of care and response time performance being provided by all components of the EMS system

Bay Star's medical director is Board Certified in emergency medicine, and will successfully complete the National EMS Medical Director's Course as approved by the National Association of Physicians.

23. Medical Protocols

Bay Star will comply with all medical protocols and other requirements of the System Standard of Care as established by our medical director.



24. Quality Improvement Process

Background

We understand that continuous quality improvement practices will result in quality performance. We have adopted such practices in all aspects of our operations. This total quality management approach has allowed Bay Star to continue to deliver consistent quality ambulance service.

With that in mind, the mission of Bay Star is: "To provide the highest quality medical transportation to the communities we serve; to provide appropriate, effective and efficient service, endeavoring to meet or exceed the needs and expectations of our patients, employees and community, through technology, comprehensive continuing education, and progressive management while promoting teamwork and stability."

Similarly, Bay Star's philosophy is to ensure that all personnel receive comprehensive, focused training, striving toward continued improvement while utilizing and maintaining state-of-the-art equipment.

With those underlying concepts in mind, Bay Star's Quality Improvement ("QI") Program incorporates tracking, education, training, evaluation and service improvement. The program is based on the "FOCUS PDSA" criteria (outlined below). This program can be utilized to track and improve the quality care. Bay Star is confident that the program in place meets or exceeds any expectations. Bay Star Ambulance Service reviews its QI program on an annual basis, or more frequently if indicated.

- F** - Find a process to improve.
- O** - Organize an effort to work on improvement.
- C** - Clarify current knowledge of the process.
- U** - Understands the process and variation.
- S** - Select a strategy for further improvement.
- P** - Plan a change or test aimed an improvement.
- D** - Do carry out the change or test.
- S** - Study the results, (what was learned and what went wrong).
- A** - Act and adopt the change, abandon it, or run through the cycle again.

Application

Bay Star applies QI efforts to all areas of its operation. Some examples include:

Dispatch: Dispatch Records are reviewed daily to assure completion, tracking and response times. These reports and records are generated by the CAD, a state of the art system that allows for a wide variety of reports based on Unit, Call Location, Crew members, Unit Hour Utilization, and Activity Reports. These documents are vital in the QI process to develop and implement policies and procedures to continually improve the quality of service Bay Star provides to the communities in which they serve.

Patient Care Reports: Patient Care Reports are reviewed daily by managers, to assure completeness, legibility, patient condition documentation, and treatment rendered. The reports include patient care issues, call location and facility destinations. Any unusual occurrences or standard issues are discussed with the crew members. Additional training and counseling is provided to educate the crew members on all aspects of the Patient Care



Report, including service, techniques and patient care. Documentation of this process is done through a Record of Conversation, Training Roster and topic outline.

Vehicle maintenance: Bay Star has developed an extensive preventative maintenance program for the fleet of vehicles which meets or exceeds manufacturers requirements, all maintenance records are maintained in a perpetual vehicle file and reviewed by the Fleet Manager on a regular basis to identify any trends or unusual occurrences.

Infection Control: Bay Star has implemented a progressive Infection Control Program for the protection of its crew members, patients and public safety officers. These programs are living documents and are updated with the implementation of new equipment, changes in regulations and implementation of new processes. The Infection Control Program is reviewed and update by the Corporate Risk Manager with the assistance of the clinical and QI staff. The infection control program incorporates Engineering, Administrative and Personal Protective Equipment controls. Any possible exposure is documented on the Bay Star Ambulance Service exposure report form, this form includes measures taken to reduce the risk of exposure, PPE used, patient outcome and employee follow-up including treatment and counseling. This record remains on file for the length of the crew members employment plus 30 years.

Response Times: Response time standards are developed to exceed the requirement of the specific contract. All response times are generated by the CAD system. Any response times that fall out of compliance are flagged and generated on the exception report. All time intervals are reviewed and a plan is developed for continually improving on the standards.

Equipment/Supplies: Bay Star uses tried and tested brand name medical supplies. Medical supplies are purchased in large quantities to control cost. Any new piece of equipment is field tested with a senior crew and feedback is received on the feasibility, operation, durability, reliability and overall quality of the piece of equipment. Once equipment is field tested, recommendations are made as to its possible implementation.

Training: Bay Star provides training to all of its employees, commencing with the company orientation program. Education and training is developed through regulatory compliance, QI findings and indicators, introduction of new policies and procedures, introduction of new equipment and changes in standards. This education and training is provided in a number of modalities, including classroom, tailgate meetings, summit training, memos and company newsletters. All education and training is tracked to assure full compliance and understanding of material presented.

Employment Practices: Bay Star employment practices are reviewed by the Human Resources Department to assure compliance with Federal, State and Local law. The candidate must complete the process prior to being hired for a position with Bay Star Ambulance Service. The Director of Operations reviews each completed employment packet as an added measure to assure all standards have been met. The new is placed on a 120-day probationary period, during which time he/she is trained and evaluated on aspects, duties, responsibilities, interaction and patient care. The evaluations are reviewed by QI and any deficiencies are targeted for improvement.



Adjustments

The Bay Star Ambulance Service QI program is a “living document” and revisions are made dependent upon new policies, procedures, clinical guidelines, monitoring technology, addition of new equipment and indicators. The Bay Star QI Committee meets on a regular basis. During these meetings the QI Coordinator will review audit findings regarding patient care issues, including any indicators. Improvements in performance will be discussed along with any concerns or deficiencies. The focus areas that impact are as follows:

- Patient Care.
- Customer Service.
- Improving Performance
- Education / Training
- Response time standards
- CAD log Reports
- Skills Maintenance
- Personnel
- Public Education / Prevention
- Risk Management / Encompassing all aspects of Safety and Loss Control

The Bay Star QI Process then relies upon goals and objectives, for example:

- 1) Recognize, reward and reinforce positive behavior:** Documentation of positive behavior will be accomplished by recognition in meetings, as well as certificates (copies will be placed in personnel files). Positive behavior will also be a factor in promotions and reviews.
- 2) Define standards, evaluate methodologies and utilize the evaluation results for continued system improvement:** All information collected will be utilized in a policy and procedure manual, this will be a “living document” continually updated to meet the changes, requirements, regulations and improvements within the industry and Bay Star.
- 3) Identify important aspects of care actively participate in EMS Agency:** Base Station meetings and committees occur to perform in-house monitoring of patient care procedures and providing education and training on an ongoing basis.
- 4) Establish performance standards and indicators related to these aspects of care:** Information received and compiled through internal monitoring, EMS Agency updates, and hospital updates will be tracked and measured. Performance Standards as well as indicators will be established; the QI Committee will review and create a process to ensure compliance in areas of concern, by following the FOCUS-PDSA criteria.
- 5) Establish thresholds for evaluation related to the indicators:** Thresholds will be established based on the indicator of monitoring and will be accomplished by utilization of the Trending/Analysis and Fallout/Tracking Reports.
- 6) Organize and collect data:** Utilization of the Trending and Analysis Report as well as collecting data on any Indicator/Fallouts by utilizing the “QI Fallout Tracking Tool.” These in-house reports are maintained by



the Director of Operations and appropriate actions will be taken based on information obtained through close measurement.

7) Recognize and develop opportunities for improvement: By measuring performance standards and thresholds and continually seeking out processes for improvement. Areas for improvement may be identified internally or through feedback from facilities, agencies, other providers, business associates and field personnel.

8) Take action to improve care: Through consistent communication, training, continuing education, monitoring fallouts and utilizing the appropriate action(s) described in the “QI Fallout Tracking Tool.”

9) Assess the effectiveness of remedial actions and document improvement: Once a remedial action has been taken, tracking of the improvements will be documented and placed in a file to be maintained by the QI Coordinator utilizing the “QI Fallout Tracking Tool.”

Complaints & Inquiries

An additional feature of the Bay Star QA/QI program involves handling of complaints and inquiries. The Bay Star Ambulance Service complaint resolution program is designed to provide for a fair, objective and expedient resolution to any and all complaints. Bay Star’s philosophy is that **all** reports are to be dealt with as promptly and professionally as possible, within 12 hours. Bay Star feels that the key to resolving complaints effectively is to provide a user-friendly means of reporting any complaint. When a complaint is reported, it is imperative to maintain an open line of communication to work towards an amicable resolution.

Bay Star has an established process for receiving and processing complaints, and Bay Star representatives are available to assist in the resolution of complaints on a 24-hour basis. The goal of Bay Star is to amicably resolve any and all complaints at the first level. We feel that this approach not only improves communication between patients, facilities and agencies but also provides a means of improving services not only as a company but also as an industry.

Dealing with Business Partners

Since Bay Star works in conjunction with other entities (e.g. facilities, municipalities, EMS agencies), there may be some disputes between the parties. Bay Star works closely with its business partners in all aspects of service to the community and/or patients. If a complaint should arise regarding service, billing, mutual aid, operating area infringements or any other such complaint, these issues will be dealt with harmoniously between the providers. The ability to work together is paramount in the effectiveness of the ambulance program and if for any reason the complaint cannot be resolved between companies an arbitrator may be brought in to assist in reaching a resolution. Bay Star prefers not to get involved in litigation, and instead prefers to resolve disputes amicably.

Incident Reporting

Incidents involving employee injuries, vehicle or workplace accidents, patient care issues, or other safety related issues are required to be sent directly to the risk manager for review and resolution. Incidents involving call delays, dispatch delays are required to be sent to both the communications center manager and the operations manager. Vehicle or equipment failure issues are required to be sent to the fleet manager and operations manager. Most incidents can be corrected by contacting immediate managers and supervisors. Occasionally, a matter is referred



to the Director of Operations. This front line approach to resolution is designed to allow those closest to the operating unit make the required determinations regarding most day to day issues that arise during the normal course of business.

25. Competence and Professionalism of Personnel

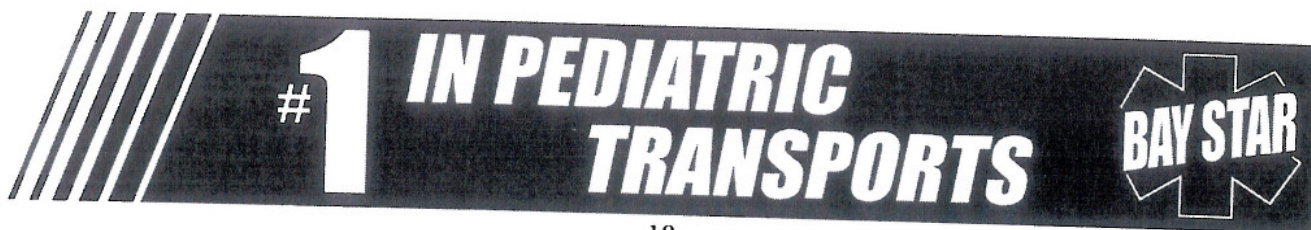
In-Service Training of Bay Star Employees

Our comprehensive in-house training programs produce a work force of skilled employees who help maintain our high patient care standards. Bay Star has a state certified continuing education ("CE") provider number which is used to provide ongoing continuing education. Bay Star's classes have been designed to meet all local, state, and federal requirements. All courses taught by a highly qualified and experienced professional which include EMTs, Paramedics, nurses, physicians, respiratory technicians and other qualified professionals. Bay Star maintains several trainers "in-house" to regularly provide necessary training to its field personnel. Bay Star relies upon outsourced training opportunities as needed.

Bay Star offers and conducts regular monthly CE courses as required for maintenance of state licensure. The monthly curriculum is designed to follow state guidelines for CE. The program focuses on topics identified as areas of concern by our internal program, medical director and field personal. We use a verity of educational activities including hands-on practical skills, lecture, and DVDs.

In addition to regular monthly CE courses, Bay Star is also a certified training center for the American Heart Association. We offer initial certification and re-certification in ACLS, Basic CPR, PHTLS and PPPC. Students are required to take and written and practical exam to verify competency. The following is a short list of some of the courses we teach.

- Bariatric Training
- Vent Usage and Failure while in Transport
- Basic CPR
- CPR Instructor
- Advance Cardiac Life Support (ACLS)
- ACLS Instructor
- Pediatric Life Support (PALS)
- Pediatric Pre-Hospital Provider Course (PPPC)
- PALS / PPPC Instructor
- Emergency Vehicle Operators Course (EVOC)
- Customer Service Training
- Exposure / Infection Control Training
- Helicopter Safety
- Safe Patient and Stretcher Handling
- Mass Casualty
- Employee Safety
- Driver Training
- Proper Lifting Techniques



26. Key Personnel

Family owned and operated, Bay Star already has in place the key personnel needed to successfully operate a high performance EMS system. Bay Star's managers and leaders measure their experience in decades and will bring the same level of caring professionalism to your community EMS System, as they have since the company's inception.

Outlined in this section are brief resumes of each member of the Bay Star management team, complete with a listing of his or her qualifications and training.

Charles Bryan - President/ CEO

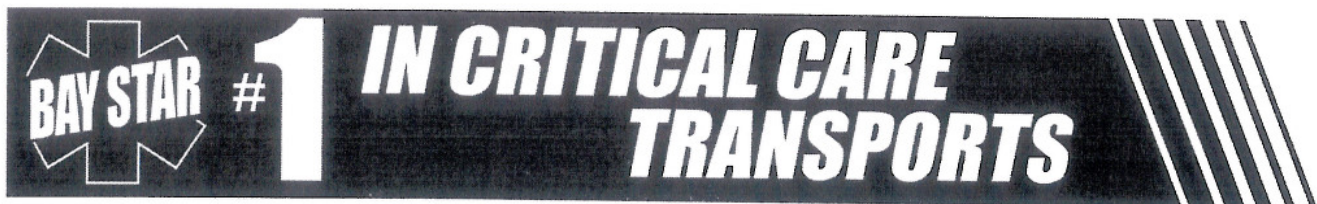
Texas Department of State Health Services Paramedic. Charles started his EMS career when he was in High School at the age of 17 volunteering at the local Fire Department. Charles has worked for several EMS systems including Dallas, Beaumont and Baytown where he was a supervisor for many years. Charles, along with his wife, Kelly opened Bay Star in May of 2001, where it has become Harris Counties largest private family owned ambulance provider running 35,000+ calls for service annually. Charles felt he could simply do a better job than anyone else. He brings to Bay Star more than 20 years of diverse EMS field and management experience, including serving as a paramedic, as a district manager, as an operations manager, and Bay Star's "Guru" of marketing. Charles is the "strive for perfection" that Bay Star works on every day.

Kelly Bryan - Vice President

National Registry Paramedic- Texas Department Of State Health Services Paramedic. Kelly is responsible for the overall direction and coordination of Bay Star, ensuring overall efficiency and the highest level of patient care within the field operations. Kelly has more than 15 years of EMS-related experience encompassing a broad spectrum of system and personnel accomplishments. She is an educator and a frequent speaker at our local schools, and makes appearances on behalf of the EMS community. She continues to hold her Paramedic and her CPR Instructor Trainer certification. Over-seeing our Dispatch Center, to ensure customer service is maintained at all times when communicating with our facilities. Kelly has managed, to involve herself in every aspect of Bay Star. Facility relationships are very important to Kelly. Every year you will see her participating at a few of our nursing facilities as a Judge for the Ms. Golden Years Pageant. Her involvement in the community and with Bay Star employees and their families is important to her.

Eric Stricklin - Chief Operating Officer

Eric began his EMS career in 1998 bringing more than 15 years of diverse EMS field and management experience. Eric has worked for South Lake Houston EMS and Channelview Fire Department where he served as EMS Captain for several years. Leading that EMS agency to several awards for excellence. Eric attended University of Houston's Bauer School of Business and graduated with a Major in Business Administration and a Minor in Finance. Eric is a long time member and Co-Chair of the SETRAC Public Health Information & Education Committee, the Greater Houston EMS Council. Eric is a board member of the North Channel Coalition and currently is a serving commissioner of Harris County Emergency Service District #50. Eric also is a Chairman for the American Cancer Society. Eric holds many certificates in Employee Relations and Management. He is also an American Heart Association Faculty member, Instructor Trainer, teaching many CPR, First Aid, ACLS, PALS courses to our local schools and community organizations. Eric serves as incident commander for the company's disaster medical operations. He provides oversight and leadership for business development initiative; oversee and direct the



contract negotiation process for new customer growth. Provides oversight in designing EMS deployment and operational strategies to meet contract and response time commitments. Eric attends and participates in legislative and governmental affairs activities representing Bay Star and the EMS industry on local and state issues. Such as with the TAA, GETAC, SETRAC, RHPC to name a few. Eric works diligently along Charles and Kelly Bryan to ensure the overall long term success of Bay Star Ambulance and our commitment to the customers we serve. Eric holds certifications in NIMS 100,200,300,400,700,800, Strike Team Leader and Staging Manager, AHA Regional Faculty – Instructor in BLS, ACLS, PALS, First Aid, Business Ethics/Diversity Training, NTHSB Master EVOC Instructor. Eric currently is serving his second term as elected Harris County Commissioner of ESD#50. Under his leadership ESD#50 has developed and became state recognized for excellence, EMS Trac Chair for the RHPC Annual Conference, Serving his 10th year with SETRAC on various committees and leadership roles. Eric is also a frequent speaker at local schools, community events, and EMS related events. In addition to his oversight over the entire organization. Eric still is very accessible with a “hands on approach” and engaged with field operations responding to emergencies or requests for service. As well coordinating and directing the activities of personnel and equipment.

Mark Quijas - Director of Operations

With over 13 years of experience, and joining Bay Star Ambulance in 2005. As Director of Operations, Mark oversees the day to day operations of Bay Star Ambulance Service to ensure the highest quality of service to not only our patients, their families, and friends, nurses, doctors, administrators, social workers, activity workers and hospital personnel. Mark works closely with the medics in the field to facilitate the transition of crews during shift change, assure they have all needed equipment and strong knowledge of current standing protocols. Mark responds to emergencies, coordinate and direct the activities of personnel and equipment. He as well is responsible to investigate customer call inquiries related to customer service, operational and clinical performances. He is as well responsible for the full spectrum of supervisory activities including selection, training, evaluation and counseling. Mark acts as the liaison between the medics in the field and the corporate offices. Mark has a strong background in business management and EMS administration with over 13 years of running daily operations for other companies in the public sector, current in his ACLS, PALS, PHTLS, and PEEP, ICS 100,200,300,400,700 and 800 certifications, Medical Incident Support Training, National EVOC Instructor.

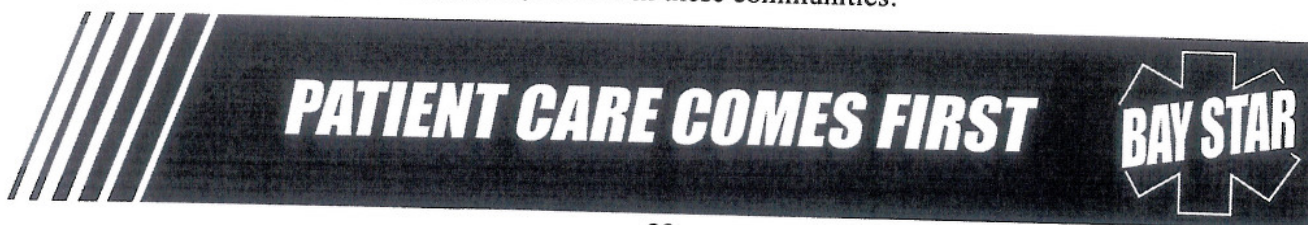
David Patterson - Operations Supervisor

As one of the Operations Supervisors, David started his EMS career here at Bay Star just four short years ago. David attended San Jacinto College where he obtained his EMT-B certification in 2009. Through his hard work and unparalleled work ethic, he has become a key component to the management team. David oversees the inventory, supplies, equipment and works in conjunction with the rest of the management team to oversee the day to day operations at Bay Star. David holds certifications in AHA BLS, ICS 100,200,300,400,700, Medical Incident Support Training, Employee Relations Training, EVOC Instructor.

Daina Koep – Human Resources Manager

With more than seven years of accounting and HR experience, Gloria is responsible for payroll, accounts receivable and payable, managing and administering human resources functions such as recruitment and selection, wage and salary administration, Affirmative Action/Equal Employment Opportunity, and labor relations. Daina has been with Bay Star since 2003. A resident of the Baytown area for 28 years, she is a member of the Society of Human Resource Managers (SHRM).

Not only do we service these communities, we live in these communities.



INSURANCE

Bay Star Ambulance has in place and will remain compliant with the insurance requirements set forth in Section 4.0 of this RFP. We have taken the liberty of providing a Certificate of Liability Insurance naming Fort Bend County as an additional Insured with an included waiver of subrogation in favor of the County and it's commissioners. *{See Exhibit A}*



FAMILY OWNED & OPERATED



INDEMNIFICATION

BAY STAR AMBULANCE SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF BAY STAR AMBULANCE, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF BAY STAR AMBULANCE OR ANY OF BAY STAR'S AGENTS, SERVANTS OR EMPLOYEES.



**PROVEN TO INCREASE
PATIENT OUTCOMES**



PRICING

1. *{See Exhibit B}*
2. Fort Bend County will be considered the payor of last resort. Reimbursement through Fort Bend County will be modeled on a set transport fee per client type, plus mileage at the current Texas Medicaid Rate at time of Service. *{See Exhibit C}*
3. Bay Star will use reasonable efforts to verify whether each transported client has another payor source such as Medicaid, Medicare, other governmental program, or private insurance that will reimburse vendor for the transport service. If it is determined that a client has another payor source, Bay Star will submit a claim to that payor source for reimbursement. If there is a client co-pay involved and the client is unable to pay this amount, Bay Star will bill FBC for the co-pay amount; if the other payor source denies the claim, Bay Star will submit a claim to FBC using the pricing agreed upon with FBC. Bay Star's submission to FBC for payment will include the denial letter from the third party payor source.
4. With the exception of client co-pays mentioned above, Bay Star will accept reimbursement from third party vendors as payment in full for services rendered, with no further reimbursement from Fort Bend County.



**OUTSTANDING
DRIVING RECORD**



VENDOR QUALIFICATIONS

Bay Star Ambulance certifies that we are duly qualified, capable and otherwise are a bondable business entity. Further we certify we are not in receivership, nor have filed for bankruptcy. Bay Star further certifies that we do not owe any back taxes within Fort Bend County. Bay Star Ambulance is able and capable of performing this proposal with our own resources without subcontracting. Bay Star Ambulance is normally engaged in this type of business as a norm for our day to day operations. Bay Star further warrants that we are very familiar with all local, state and federal laws, regulations, and customs applicable to this type of service.





REQUIREMENTS

1. Bay Star Ambulance will respond to the request of FBC to transport county residents to a designated location within FBC or an adjacent county.
2. Bay Star Ambulance will deploy and be en-route to the resident or facility address within one (1) hour from the time they receive the request to deploy from FBC.

Response Time Commitment Reporting

Bay Star agrees to accept Fort Bend County's response time performance standards as outlined in the RFP.

Bay Star is accustomed to meeting response time requirements and is very successful in meeting demand because of the strict attention paid to performance. Response time compliance is measured and reported daily, weekly and monthly. Reports are completely customizable which means there are nearly endless formats available for data and information is readily accessible at all times. We typically report monthly but are very responsive to requests for information outside that monthly process. We currently submit information electronically however if delivered printed reports are preferred we will gladly comply. All reports will be delivered by the 3rd business day of each month.

MRES CAD Reports are available for all current and future reporting requirements such as the following:

- Fractile- Break down of calls per hour
- Variance- Detail of response deficiencies
- Logs- All calls and their times

3. Bay Star Ambulance has been in business since 2001 serving the Greater Houston Area, and since 2011 has been providing dedicated EMS coverage for Emergency and Non-Emergency patient transports in Fort Bend County via contractual obligations. We have experience in providing local and/or long distant EMS to live human beings in the County of Fort Bend.
4. Bay Star Ambulance will adhere and abide by all federal, county and local laws and must adhere to abide by the Texas Health & Safety Code, Chapter 773 Emergency Medical Services Act and the Texas Administrative Code, Title 25; Health Services, Chapter 157: Emergency Medical Care during the time of a county or federal declaration of Emergency, mass casualty event or disaster and will adhere and abide by all laws and rules at all times.
5. Bay Star Ambulance will respond when notified by the FBC EOC Logistics Section or designee. If a licensed FBC EMS Provider self-deploys, without proper notification from FBC, they will not be eligible for



reimbursement through this contract.

6. Bay Star keeps detailed records of the services it provides. We will provide those records as requested to include, but not limited to:

- Patient Care Records;
- Patient Demographics, including patient(s) insurance information.
- A Time Log Record from of all activities.

7. Bay Star Ambulance will keep all receipts of its expenditures.

8. Bay Star will ensure that all personnel responding have proof of their individual State EMS Certifications and a form of picture ID with them at all times.

9. Bay Star will staff each requested Basic Life Support (BLS) unit with a minimum of 2 Texas Certified EMT-Basics.

10. Bay Star will staff each requested Advanced Life Support (ALS) unit with a minimum of 1 Texas Certified EMT-Basic and 1 Texas Certified EMT-Intermediate.

11. Bay Star will staff each requested Medical Intensive Care Unit (MICU) with a minimum of 1 Texas Certified EMT-Basic and 1 Texas Certified EMT-Paramedic.

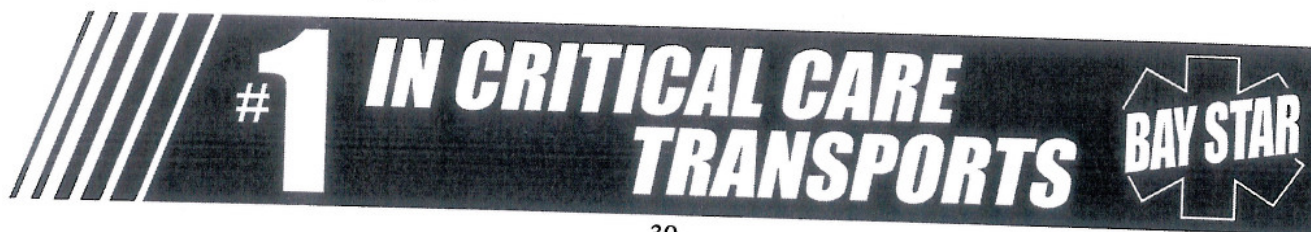
12. Bay Star will pay assigned employees' wages, expenses, and benefits that Bay Star offers to them and for which they are qualified.

13. Bay Star will pay, withhold, and transmit payroll taxes; administer company benefits and handle all compensation claims involving assigned employees.

14. Bay Star Ambulance has in place a sophisticated electronic data system comprised of databases, servers and form mechanisms capable of capturing and reporting all common data elements as required under the standard established by the National Association of EMS Directors.

Bay Star will continue to complete and maintain copies of the following records:

- Each request for service.
- Equipment Failure Report.
- Vehicle Failure Report
- Deployment Planning Reports.



- Continuing Education and Certification Records documenting training compliance.
- Staffing Schedules
- Incurred Costs
- Other reports as determined by FBC Health & Human Services relevant to emergency response activities.

Bay Star will provide, within three (3) business days after each request, reports dealing with our performance related to the clinical, operational and financial performances as approved by Fort Bend County.

Annual Audited Financial Statements, Vehicle Logs, Customer Complaints and Transport Reason Reports will also be available. Bay Star is confident that it has appropriate steps in place, through Policies and Procedures, personnel, equipment and management techniques (referenced herein) to ensure that the response deadlines are satisfied.

Bay Star will, at no additional cost to Fort Bend County, generate and deliver the above mentioned reports.

15. Risk Management

Bay Star will perform the following types of background, drug, and professional credentialing checks for all employees it selects for assignment to FBC:

Screening, Hiring and Orientation

The process of ensuring a high performance EMS service begins before the first call is ever run. Bay Star begins its quality process during the employee screening, hiring, and orientation phase, ensuring that only the most qualified and appropriate personnel are trusted with the Bay Star mission. Our Risk Management Program complies with applicable state and federal laws and regulations including Texas Workers Compensation, Texas Department of State Health Services, Department of Public Safety.

Screening Process

Bay Star requires that all potential employees meet the following prerequisites before consideration for employment:

- Be at least 21 years of age,
- Be currently licensed or certified by the State of Texas,
- Provide copies of all required certifications,
- Criminal background Investigation,
- Pass a written and comprehensive skills examination,
- Pass the pre-placement physical exam,
- Psychological Examinations



- Have a current and valid state operator's license or equivalents showing a clean driving history.
- Violent Sexual Offender & Predator Search

Hiring Process

Once a candidate is considered for employment he or she is placed in the selection process, which involves both an interview with management and field personnel and a thorough review of the application by the director of Human Resources. Additionally, a background investigation completed by the human resources department includes the following:

- Verification of credentials
- Driving record
- Criminal record
- References checked
- Skills pre-placement testing
- Job-function testing
- Physical exam
- Fitness for duty
- Musculoskeletal testing
- Respiratory fitness testing
- Immunization assessment
- Pre-Employment Drug and Alcohol Tests
- HIPAA In-Service
- Patient Privacy Agreement

Applicants considered for employment are required to successfully complete a drug and alcohol screen and pre-placement medical evaluation at the company's expense.

Following employment, the new employee and members of the management team review all responsibilities of his or her job description. All employees are required to become familiar with the company's policies and procedures and the individual area of operation to which he/she is assigned, through orientation, observation time, and field training.

Orientation Process

Bay Star provides a purposeful and structured orientation opportunity, including a careful evaluation period of the new employee's performance and adaptation. Only those who meet or exceed the outlined standard of excellence are retained.

The company considers its orientation program to be an exciting time not only to help their new employees lay the groundwork for a successful and long EMS career, but also to uphold Bay Star's high levels of patient care



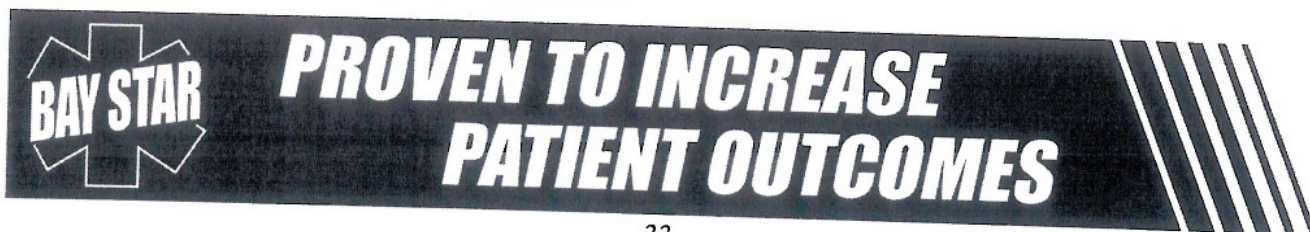
and professionalism. A 90-day orientation program is completed in three phases, each of which is designed to guide the new employee in his or her career and to assist in embracing company and system standards. Included in the program are specific standards set by Bay Star's medical director, which must be accomplished prior to completion of the orientation period and before the new employee is released from the probationary period. An assigned paramedic guides the new employee through the program, instilling expected levels of high quality care and professionalism. A new employee who has successfully completed the program will have all the skills needed to provide excellent pre-hospital patient care.

The first phase of the orientation program is classroom training, during which the new employee learns the many aspects involved in working for an ambulance company. The foundation of the orientation program is an introduction to a patient care-based decision-making process developed by Bay Star. Phase one provides an overview of the following company standards:

- EMS and the medical transportation system
- Introduction to the Bay Star quality system
- Review of the system's protocols, policies and procedures
- Review of Bay Star's policies and procedures
- Map reading and paperwork requirements
- Lifting and patient-handling techniques
- Medical terminology
- EVOC Driver Safety Training
- Marketing
- Hazard Reduction
- Third-party payor billing documentation requirements
- Team building and inter-personal communication skills
- Customer service-empowerment training and personal appearance.

The second phase of training focuses on field experience. New paramedics and EMTs work as a third person on the ambulance and receive valuable observation time and training, using specific performance-based standards ("PBS"). Each new employee is assigned to a training crew that reviews and observes the candidate practicing the skills learned during his or her formal paramedic training and during the phase-one classroom time. With the assistance of the training crew, the new employee is required to complete an orientation workbook, which is used to ensure program completeness and consistency. All paramedics are also required to receive medical director approval prior to completing phase two and proceeding to phase three of the program.

In the third phase of the program, new employees are given the opportunity to function as the second crew member. Each new employee is assigned to a supervisor who is responsible for overseeing this final phase of orientation. Phase three also involves final testing, including oral and situational evaluation, which must be passed prior to clearance from probationary status.



Written and oral feedback is given regularly throughout orientation, and the new employee is expected to participate in the formulation of an education plan to address identified performance deficiencies. The new employee is evaluated on his or her care and presentation as set forth by system standards. To successfully complete this orientation period, the employee must receive a satisfactory evaluation from the supervisor and be cleared by the medical director. A new employee who does not accomplish these goals or meet the standards of the system is not eligible to work in the system.

At the end of the probationary period, the new employee is (1) released into the field into rotation, (2) terminated, or (3) recycled through the probation phase on the recommendation of the medical director.

Bay Star designed the orientation program as a continually evolving process. Once released from probationary status, each new employee completes an evaluation form providing feedback on the appropriateness and effectiveness of the orientation and training program. The medical director also provides input on a regular basis, since it is this physician who sets medical standards for the system.

16. Bay Star Will:

- Provide contact information and be made available (and have staffing available) to provide services 24 hours per day/7 days per week:
 - 24/7 Dispatch Center 281-422-7200
 - Eric Stricklin – Chief Operating Officer/Chief Incident Commander
Mobile 832-628-0310 / estricklin@baystarems.com
- Maintain an equal employment opportunity
- Demonstrate knowledge and compliance with OSHA standards, universal precautions and handling of medical waste
- Ensure all staff deployed to FBC are familiar with National Incident Management System response framework and completed the following Incident Command System Courses:
 - IS-100
 - IS-200
 - IS-700
 - IS-800

17. Bay Star will coordinate all travel arrangements and reimbursement for staff, if necessary.

18. Bay Star will provide notification within 30 minutes if unable to fulfill the task.





EXHIBIT A

EXHIBIT B

BAY STAR AMBULANCE
AVERAGE PATIENT CHARGES

BLS Non-Emergency Rate: \$500.00

Mileage: \$12.00

BLS Emergency Rate: \$500.00

Mileage: \$12.00

ALS Non-Emergency Rate: \$650.00

Mileage: \$12.00

ALS Emergency Rate: \$750.00

Mileage: \$12.00



EXHIBIT C

- 6.2 Fort Bend County will be considered the payor of last resort. Reimbursement through Fort Bend County will be modeled on a set transport fee per client plus Mileage at the current Texas Medicaid Rate at time of Service.

**BAY STAR AMBULANCE SERVICE
CURRENT TEXAS MEDICAID RATES
AS OF 12/11/13**

| SERVICE | HCPCS | MEDICAID ALLOWED |
|-------------------|--------------|-------------------------|
| BLS NON-ER | A0428 | \$186.00 |
| BLS ER | A0429 | \$240.23 |
| ALS NON-ER | A0426 | \$186.00 |
| ALS ER | A0427 | \$285.28 |
| SCT | A0434 | \$487.97 |
| MILEAGE | A0425 | \$4.71 |

POLICY NUMBER: MAPK08373401

IL 12 06 04 03

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS POLICY CHANGES

Effective Date of Change: 05/07/2015

Change Endorsement No.: 3

Named Insured: Kam-Syd, LTD dba Bay Star Ambulance Service


The following item(s):

| | | |
|---|---------------------------------------|--------------------------------------------|
| | Insured's Name | Insured's Mailing Address |
| | Policy Number | Company |
| | Effective/Expiration Date | Insured's Legal Status/Business of Insured |
| X | Additional Interested Parties | Premium Determination |
| | Limits/Exposures | X Coverage Forms and Endorsements |
| | Covered Property/Location Description | Deductibles |
| | Rates | Classification/Class Codes |

is (are) changed to read {See Additional Page(s)}:

See Next Page.

The above amendments result in a change in the premium as follows:

| X NO CHANGES | TO BE ADJUSTED AT AUDIT | ADDITIONAL PREMIUM \$ | RETURN PREMIUM \$ |
|-------------------------------------------------------------------------------------------------------|----------------------------|--------------------------|----------------------|
| Countersigned By:  | | | |

(Authorized Agent)
McNeil Insurance and Risk Services, Inc.

POLICY CHANGES ENDORSEMENT DESCRIPTION

We have hereby ADDED the following forms to the above policy:

CG2010 (04/13), Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization

CG2404 (05/09), Waiver of Transfer of Rights of Recovery Against Others To Us

See Attached.

All other coverage terms and conditions apply.

REMOVAL PERMIT

If this policy includes the Commercial Property Coverage Part, or the Capital Assets Program (Output Policy) Coverage Part with all property scheduled on the Scheduled Location Endorsement **OP 14 01**, the following applies with respect to that Coverage Part:

If Covered Property is removed to a new location that is described on this Policy Change, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of this Policy Change; after that, this insurance does not apply at the previous location.

grs 05/12/2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

| Name Of Additional Insured Person(s) Or Organization(s) | Location(s) Of Covered Operations |
|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| Fort Bend County Purchasing 301 Jackson, Suite 201 Richmond, TX 77469 | With respect to a written contract with the Named Insured. |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. | |

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

Fort Bend County Purchasing
301 Jackson, Suite 201
Richmond, TX 77469

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER: MAPK08373401

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

ANY PERSON OR ORGANIZATION THAT THE INSURED HAS AGREED BY WRITTEN CONTRACT OR WRITTEN AGREEMENT TO NAME AS AN ADDITIONAL INSURED AND EXECUTED PRIOR TO THE OCCURRENCE OF ANY LOSS.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL PROVISIONS FOR CASUALTY LINES AND COMMERCIAL PACKAGE POLICIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
FARM COVERAGE PART – FARM LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement also modifies insurance provided under the following when written as part of a Commercial Package Policy:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:

2. We may cancel this policy:

- a. By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.**

However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the first Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.

b. For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:

(1) If this policy has been in effect for 60 days or less, we may cancel for any reason except that, under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

(2) If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:

(a) Fraud in obtaining coverage;

(b) Failure to pay premiums when due;

(c) An increase in hazard within the control of the insured which would produce an increase in rate;

(d) Loss of our reinsurance covering all or part of the risk covered by the policy; or

(e) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

c. For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:

(1) If this policy has been in effect for less than 90 days, we may cancel coverage for any reason.

(2) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel coverage, only for the following reasons:

(a) If the first Named Insured does not pay the premium or any portion of the premium when due;

(b) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;

(c) If the Named Insured submits a fraudulent claim; or

(d) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

B. The following condition is added and supersedes any provision to the contrary:

Nonrenewal

1. We may elect not to renew this policy except that, under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

2. This paragraph, 2., applies unless the policy qualifies under Paragraph 3. below.

If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:

a. The first Named Insured; and

b. Each unit-owner to whom we issued a certificate or memorandum of insurance.

We will mail or deliver such notice to each last mailing address known to us.

4. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

