



COUNTY OF SANTA CRUZ

General Services Department
Purchasing Division

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ADDENDUM # 5

Request for Proposals 17P1-001

Exclusive Emergency Ambulance Service Operator for the Santa Cruz County Exclusive Operating Area

Issued: December 5, 2017

Addendum #5 is being issued to correct section 8.4.B.g.2.b. The word "not" in the first sentence at the top of page 48 is incorrect and is herein removed as indicated by the strikethrough text.

(b) Rate Adjustment

During the term of the agreement, the Contractor will be allowed opportunities for rate adjustments, which may be based on the Bay Area Consumer Price Index (CPI) and/or other appropriate indexes reflecting increased costs of operations. The Contractor may propose rate changes to the County no more frequently than annually unless the Contractor can demonstrate to the satisfaction of the County that, due to extraordinary changes in reimbursement or the cost structure of the Contractor's operations which were beyond the control of the Contractor, an undue financial hardship would be placed on the Contractor in the absence of an immediate rate consideration. No rate increase will be considered for the first year of the contract.

In order to ensure a fair and appropriate cost to residents and visitors to the County, the Contractor's reported profit margin will be considered before any rate change. Any increase shall be held to the anticipated annual profit margin of seven percent (7%) received through this Contract with the County. If the Contractor's annual financial statements indicate greater than seven percent (7%) profit margin, a rate reduction shall ~~not~~ be implemented to maintain this profit margin cap.

Direct any questions regarding Addendum #5 to Kevin.Bratcher@santacruzcounty.us.

Addendum #5 authorization:

12/5/2017

Kevin Bratcher

Date