

CITY COUNCIL REPORT



Meeting Date: March 03, 2026
General Plan Element: **Public Services & Facilities**
General Plan Goal: **Provide a safe environment for all citizens, visitors and private interests**

ACTION

Adopt Resolution No. 13606 authorizing:

1. The Mayor to execute, on behalf of the City, Contract No. 2016-016-COS-A3, the Third Amendment to the Professional Services Contract with HonorHealth Inc., for Medical Director Services.
2. The City Manager or designee to execute such other documents and take such other actions as necessary to carry out the intent of this Resolution.
3. A FY 2025/26 budget transfer of up to \$277,061 from personnel services expense category to contractual services expense category in the Ambulance Emergency Transport Program to ensure proper recording of the contract expenses.

BACKGROUND

Arizona Administrative Code Title 9, Chapter 25 requires emergency medical services providers to designate a qualified physician to administer medical direction. This includes the development of off-line medical control protocols, standard operating guidelines, documentation standards, and continuous quality improvement (CQI) processes. These services enable the Scottsdale Fire Department (SFD) to deliver high quality medical treatment to patients.

HonorHealth was selected through a competitive procurement process (Request for Proposal No. 16RP018), and the City entered into Professional Services Contract No. 2016-016-COS on February 9, 2016, authorized by Resolution No. 10337. The parties subsequently executed Contract Amendments 2016-016-COS-A1 and 2016-016-COS-A2, extending the contract term through March 9, 2026.

The City and HonorHealth now desire to further amend the Contract to extend the term for one additional year and add one optional one-year extension, as set forth in Contract No. 2016-016-COS-A3.

Action Taken _____

ANALYSIS & ASSESSMENT

SFD continues to rely on medical direction services to support its emergency medical response and ambulance operations. Extending the existing contract with HonorHealth ensures continuity of medical oversight, compliance with state requirements, and alignment with established clinical protocols.

HonorHealth serves as SFD's medical director, administrative base station, pharmaceutical supplier, and provider of on-line medical direction. Because approximately 90 percent of emergent and non-emergent transports are delivered to HonorHealth emergency departments, maintaining this relationship is essential for operational consistency and patient care coordination.

The Third Amendment extends the contract term for one year and adds an optional one-year extension, allowing the city to maintain uninterrupted medical direction services while preserving flexibility for future procurement or contract adjustments.

RESOURCE IMPACTS

Available Funding

The FY 2025/26 Fire Division, Ambulance Emergency Transport program operating budget includes \$277,061 in the Ambulance Services Fund for a Medical Director position that was not approved. The transfer requested will move available budget to the appropriate expense category to record contract expenses in compliance with Financial Policy No. 1.11.

Staffing, Workload Impact

No additional staff required or impact to current workload.

Future Budget Implications

For FY 2026/27, \$266,680 of additional ongoing funding was requested during the budget development process for the increase in contract costs.

Cost Recovery Options

None

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution No. 13606 authorizing:

1. The Mayor to execute, on behalf of the City, Contract No. 2016-016-COS-A3 the Third Amendment to the Professional Services Contract with HonorHealth Inc., for Medical Director Services.
2. The City Manager or designee to execute such other documents and take such other actions as necessary to carry out the intent of this Resolution.

City Council Report | Medical Director Services Contract Extension

3. A FY 2025/26 budget transfer of up to \$277,061 from personnel services expense category to contractual services expense category in the Ambulance Emergency Transport Program to ensure proper recording of contract expenses.

RESPONSIBLE DEPARTMENT(S)

Fire Department, Emergency Medical Services

STAFF CONTACT(S)

Tom Shannon, Fire Chief tshannon@scottsdaleaz.gov

Adam Hoster, Deputy Fire Chief ahoster@scottsdaleaz.gov

APPROVED BY

Tom Shannon

Tom Shannon, Fire Chief

480-312-1821 tshannon@scottsdaleaz.gov

2/13/26 19:31 MST

Date

Scott Selin

Scott Selin, Budget Director

(For Financial Policies Compliance and Budget Appropriation)

(480) 312-2603 , sselin@scottsdaleaz.gov

2/15/26 21:08 MST

Date

Greg Caton

Greg Caton, City Manager

(480) 312-7759, gcaton@scottsdaleaz.gov

2/16/26 08:50 MST

Date

ATTACHMENTS

1. Resolution No. 13606
2. Contract No. 2016-016-COS-A3

RESOLUTION NO. 13606

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING A THIRD AMENDMENT TO CONTRACT NO. 2016-016-COS WITH HONORHEALTH, INC. FOR MEDICAL DIRECTOR SERVICES, EXTENDING THE CONTRACT TERM, ADDING AN OPTIONAL EXTENSION, AND AUTHORIZING FY2025/26 BUDGET TRANSFER BETWEEN EXPENSE CATEGORIES.

WHEREAS, the City of Scottsdale ("City") and HonorHealth, Inc. ("Consultant") entered into Professional Services Contract No. 2016-016-COS on February 9, 2016, for Medical Director Services for the Scottsdale Fire Department; and

WHEREAS, the City and Consultant previously executed Contract Amendments 2016-016-COS-A1 and 2016-016-COS-A2; and

WHEREAS, the parties now desire to further amend the Contract to extend the term for one (1) additional year and to add one (1) optional one (1) year extension, as set forth in Contract No. 2016-016-COS-A3 (the "Third Amendment"); and

WHEREAS, the Mayor is authorized by the City Charter to execute contracts and amendments on behalf of the City; and

WHEREAS, Article 6, Section 11 of the Scottsdale City Charter permits the transfer of unencumbered appropriation balances between expenditure classifications with City Council approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council authorizes and directs the Mayor to execute Contract No. 2016-016-COS-A3, the Third Amendment to the Professional Services Contract with HonorHealth, Inc., to extend the contract term and to add an optional one-year extension.

Section 2. The City Manager or designee is authorized to execute such other documents and take such other actions as necessary to carry out the intent of this Resolution.

Section 3. The City Council authorizes a FY 2025/26 budget transfer of up to \$277,061 from the personnel services expense category to the contractual services expense category in the Ambulance Emergency Transport Program to ensure proper recording of contract expenses.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of _____, 2026.

CITY OF SCOTTSDALE, an Arizona
municipal corporation

ATTEST:

Lisa Borowsky, Mayor

Ben Lane, City Clerk

APPROVED AS TO FORM:



Luis E. Santaella, Interim City Attorney
By: Jennifer Fernandez, Assistant City Attorney

CITY OF SCOTTSDALE

THIRD AMENDMENT TO PROFESSIONAL SERVICES CONTRACT

This THIRD AMENDMENT TO PROFESSIONAL SERVICES CONTRACT (the "Third Amendment") is entered into this _____ day of _____, 2026 by and between the City of Scottsdale, an Arizona municipal corporation (the "City"), and HonorHealth, Inc. (the "Consultant") to amend Contract No. 2016-016-COS.

RECITALS

A. The Mayor of the City of Scottsdale is authorized by provisions of the City Charter to execute contracts and contract amendments.

B. City and Consultant entered into that certain Professional Services Contract, Contract No. 2016-016-COS dated February 9, 2016, for the provision of Medical Director Services for the Fire Department by Consultant to City (the "Original Contract").

C. City and Consultant subsequently amended the Original Contract by that certain Contract No. 2016-016-COS-A1 dated March 16, 2021 (the "First Amendment"), and by Contract No. 2016-016-COS-A2, adopted February 18, 2025 (the "Second Amendment"). The Original Contract, as amended, is referred to collectively as the "Contract."

D. City desires to amend the Contract to extend the term for one (1) additional year and to add one (1) optional one (1) year extension.

E. City and Consultant mutually agree to amend the Contract as set forth in this Third Amendment.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein and for good and valuable consideration, the parties agree as follows:

1.0 The Recitals above are incorporated herein by reference.

2.0 MODIFICATIONS

2.1 Section 3.1 of the Contract is supplemented with the following:

The parties agree to extend the Contract for one (1) year, commencing March 10, 2026, and expiring March 9, 2027. The parties may, by mutual written agreement made on or before March 9, 2027, extend the Contract for one (1) additional year, commencing March 10, 2027, and expiring March 9, 2028. The optional one-year extension may be exercised by a written document executed by the City Contract Administrator, with the approval of the Purchasing Director, and by the Consultant, without returning to the City Council.

3.0 CONTINUED EFFECT

Except as expressly amended herein, all terms, provisions, and conditions of the Contract are ratified and remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the date first set forth above.

CONSULTANT
HonorHealth, Inc.

By: _____
Authorized Representative Signature

Name

Title

CITY OF SCOTTSDALE
an Arizona municipal corporation

Lisa Borowsky, Mayor

ATTEST:

Ben Lane, City Clerk

APPROVED AS TO FORM:



Luis E. Santaella, Interim City Attorney

By: Jennifer Fernandez, Assistant City Attorney