



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcjsa.org](http://www.edcjsa.org) [admin@edcjsa.org](mailto:admin@edcjsa.org)

---

June 17, 2021

Sue Hennike  
Deputy Chief Administrative Officer  
County of El Dorado  
330 Fairlane  
Placerville, CA 95667

Cc: Don Ashton, Chief administrative Officer

RE: Request for Contract #2298 for PreHospital Advanced Life Support, Ambulance and Dispatch Services Amendment.

Ms Hennike;

Thank you for our meeting on June 16, 2021. I greatly appreciate our professional partnership and ability to work together to the benefit of the County we all serve. I write to you today as a follow up to topics discussed at that June 16 meeting and follow up to the March 9, 2021 Letter of Request submitted to your office.

On behalf of the El Dorado County Emergency Services Authority, I respectfully submit our request to re-open the Master Contract based on the following contract language:

*"Section 2.3-Compensation for Services*

*2.3.1...At any time during the Agreement term, in the event that significant circumstances beyond the reasonable control of Contractor or County, dramatically increase Contractor's expenses or decrease County revenues, either party may request that the other meet and confer regarding the terms of the Agreement. Potential options include:*

- A. Continue the Agreement without changes.*
- B. Increase or decrease Contractor compensation.*
- C. Modify the performance requirements of the Agreement.*

*Examples of circumstances beyond the reasonable control of the parties include, but are not limited to, significant changes in State or federal healthcare reimbursement, State or federal*



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

*mandates that create an unfunded financial burden on a party, the repeal, or reduction of certain taxes or benefit assessments, and significant changes in the payer mix.”*

*“Section 2.5-Changes to Agreement*

*This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.*

*2.5.2 Contractor, upon continuing review of this Agreement, may recommend changes to this Agreement, in writing to the County EMS Agency Administrator. These recommendations shall be reviewed by the County EMS Agency Administrator, the Administrator’s comments and further recommendations noted, and passed on to the HHSA Director. The HHSA Director shall independently review any recommendations presented to the HHSA Director by the County EMS Agency Administrator, and determine whether the recommended changes, modifications, or adjustments are warranted and should be forwarded to the County Board of Supervisors for consideration. In the event that the HHSA Director determines that the changes are warranted, the HHSA Director shall notify Contractor of the recommended changes and solicit comment from Contractor prior to submission to the County Board of Supervisors for approval and/or funding.”*

This request is centered around “*significant circumstances beyond the reasonable control*” of the EDC ESA. In reviewing the budget and financing of the EDC ESA, and in cooperative meetings of the EDC ESA Board of Directors, Finance Committee and Ambulance Contract AdHOC Committee it has been determined that under the terms and conditions of the current Master Contract, proper calculation of costs to administer the medic units and purchase appropriate Capital Assets was not executed which has resulted in the use of unsafe equipment during emergency responses, out of date and unserviceable equipment, and manufacturers being unwilling to service equipment due to potential liability concerns. Additionally, after careful review and verifiable UAL and OPEB projections, the EDC ESA is not be able to cover the costs for employee benefits as the agency moves into the final two years of the Master Contract. We fully realize we are under contract, but the EDC ESA has undergone tremendous change and turnover in governance and leadership within the last two years, even operating without an Executive Director for nearly a year and a half. Our fear is that if we have a major equipment failure resulting in injury to a patient, personnel or both and we have identified the need and risk, that we, and the County as the funding source with a substantial CSA 7 fund balance, are going to be held



480 Locust Rd. Diamond Springs, CA 95619  
(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

financially liable at a significant expense. We certainly respect that County Counsel is concerned about the mis-use of public funds, however we can justify the expenditure to eliminate risk to the direct benefit of the public. I believe CSA-3 was able to re-open their last contract to purchase fixed assets and the findings were made to allow for it.

With recent inflationary increases due to the unprecedented global COVID-19 pandemic on goods and services regularly used (i.e. fuel, tires, vehicle parts, electrical equipment, medical supplies) maintaining cost control of those items has become increasingly difficult. The Master Contract does not specifically address increases of that nature other than the re-opener language referenced above.

Due to no direct fault of ours (current Board representatives, Deputy Director and Executive Director being new to the Authority after the contract was approved) we didn't have many options and we need the County's assistance. We have instituted additional financial controls and policies to be more efficient and fiscally responsible and any funds that are not expended will be allocated directly to a contingency fund at the EDC ESA.

While the CA EMS Authority may not like the term "public utility model" we are one system and will continue to be until the County Board of Supervisors votes to change that. We are partners in providing the best emergency medical response we can and look forward to continuing that partnership for our County's residents and our tourist driven economy.

Sincerely,

Brian K. Veerkamp

Executive Director

El Dorado County Emergency Services Authority





480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcjsa.org](http://www.edcjsa.org) [admin@edcjsa.org](mailto:admin@edcjsa.org)

---

August 3, 2021

Sue Hennike  
Deputy Chief Administrative Officer  
County of El Dorado  
330 Fairlane  
Placerville, CA 95667

Cc: Don Ashton, Chief Administrative Officer

RE: Request for Contract #2298 for PreHospital Advanced Life Support, Ambulance and Dispatch Services Amendment- Updated Response

Ms. Hennike;

This letter is in response to the meeting held on July 15, 2021, between the El Dorado County Emergency Services Authority and the County of El Dorado Chief Administrative Office. At this meeting it was requested that staff from the EDC ESA provide a response and operational plan to our equipment funding request submitted to your office on March 9, 2021, and again on June 17, 2021.

In our letter dated March 9, 2021, we referenced that, *"With the arrival of a new Executive Director and Deputy Director, the El Dorado County Emergency Services Authority (JPA) conducted an in-depth inventory audit and review and presented findings at the February 24, 2021 Board of Director's meeting. The most critical items necessary for safe and proper emergency service response and treatment need immediate replacement. These items include the fleet of gurneys, stair chairs, cardiac monitors, radios and multiple ambulance units."*

We would like to take this opportunity to assure you that the El Dorado County Emergency Services Authority staff, Board of Directors and providers take our service delivery to the community seriously including the use of equipment that is fully operational. We continue to seek out alternative funding mechanisms to address these critical needs including requests through El Dorado County CARES Act funding, requests through El Dorado County American Rescue Plan Act funding, and a request for Assistance to Firefighters Grant funding. We have also reviewed our capital asset needs, prioritized the replacement of those items and compared those needs with our existing undesignated reserve funding. This will address the most critical items

CAO AUG 3 '21 PM 3:54





480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

needing to be replaced, however it must be noted that this will substantially deplete, if not exhaust, our reserve funding account.

We look forward to our continued dialogue on emergency medical services in County Service Area-7. Please feel free to contact our office with any additional questions or concerns you may have.

Thank you,

Brian Veerkamp

Executive Director

Maurice "Mo" Johnson

Fire Chief

Attachment 1: March 9, 2021 EDC ESA Letter to CAO's Office

Attachment 2: June 17, 2021 EDC ESA Letter to CAO's Office



# *The County of El Dorado*

---

## *Chief Administrative Office*

---

330 Fair Lane  
Placerville, CA 95667-4197

*Don Ashton, MPA*  
*Chief Administrative Officer*

*Phone (530) 621-5530*  
*Fax (530) 387-2253*

To: El Dorado County Emergency Services Authority

Brian Veerkamp, Executive Director

Maurice (Mo) Johnson, Fire Chief & Chairman, Board of Directors

Re: Contract #2298 for Prehospital Advanced Life Support, Ambulance and Dispatch Services Between County of El Dorado (County) and El Dorado County Emergency Services Authority (JPA) (Agreement)

Mr. Veerkamp and Chief Johnson,

This letter is in response to the JPA's letter to the County dated August 3, 2021. As you know, the County and the JPA met on July 15, 2021 to discuss prior correspondence from the JPA by which the JPA requested an additional \$1.3 million from the CSA 7 account for the remaining term of the Agreement in order to purchase and replace equipment and vehicles. The County informed the JPA that the County considered the statements in the letters regarding unsafe equipment and potential equipment failures a major breach of the Agreement and a potential risk to public health and safety. After much discussion, County staff and JPA staff mutually concluded there was a desire on both sides to resolve the current situation without the issuance of a formal Notice of Major Breach. County staff indicated that the immediate need is for the JPA to clarify its statements in the correspondence, provide a solution utilizing its own resources and to give the County sufficient assurances that there is no risk to public health and safety.

Based on personal assurances from both the Executive Director and the JPA Board Chair that there was no imminent danger of any equipment failure, the County agreed to give the JPA time to call a special meeting so that the JPA could determine what actions it needed to take in order to remedy the situation. The JPA held a special meeting on July 28, 2021, and the August 3, 2021 letter to the County was the result of that special meeting. The Board of Supervisors has considered the statements in the August 3<sup>rd</sup> letter and deems the JPA's response to be insufficient.

In 2018, the County entered into a \$58,000,000 5-year contract with the JPA wherein the JPA and the County mutually agreed: 1) performance under the Agreement means appropriately staffed and equipped ambulances at the Advanced Life Support level which respond within defined Response Time standards and performance standards pursuant to the requirements established by the County and articulated in the Agreement; 2) the Agreement is primarily a fixed price agreement (additional work beyond normal ambulance service is compensated separately i.e. standby and disaster); 3) the base compensation is \$11,300,000 per year with an annual inflation adjustment; 4) in addition to the base compensation and for the first three years of the Agreement, the County (CSA 7) would pay the JPA \$500,000 annually to be used solely for the repair and replacement of capital assets; 5) no further annual capital asset replacement payment would be paid to the JPA after July 1, 2020[1]; and, 6) the JPA will provide all vehicles, equipment and systems necessary to fulfill the requirements of the contract.

By letter dated March 9, 2021, the JPA indicated that it had conducted an in-depth inventory audit and review and determined that “the most critical items necessary for safe and proper emergency service response and treatment need immediate replacement. These items include the fleet of gurneys, stair chairs, cardiac monitors, radios and multiple ambulance units.” As a result, the JPA “formally” requested an additional \$1.3 million from the CSA 7 fund for the remaining term of the Agreement in order to “purchase and update these critical items” because the capital replacement funds of \$1.5 million dollars that was already paid to the JPA over the first three years of the contract was “simply not enough.”

On June 17, 2021, the JPA sent a follow up letter which took a new approach to the request for additional funding and requested a reopening of the compensation provision of the Agreement. The JPA points to Section 2.3.1, which allows the parties to meet and confer in the event a “significant circumstance beyond the reasonable control of Contractor or County, dramatically increase Contractor’s expenses or decrease County revenues;” however, the letter failed to describe any significant circumstance beyond the reasonable control of the JPA that would justify a reopening of the compensation provision.

Although County staff informed the JPA that it needed to clarify its statements in the correspondence, provide a solution utilizing its own resources and give the County sufficient assurances that there is no risk to public health and safety, the August 3<sup>rd</sup> letter from the JPA falls short of those needs. The JPA merely states that it assures the County that it takes its service delivery to the community seriously “including the use of equipment that is fully operational;” however, the JPA does not counter or clarify the statements it made in its previous letters in any meaningful way. The JPA also indicates that it reviewed its capital asset needs and prioritized the replacement of equipment; however, the JPA does not indicate what is deemed to be the highest priority or the “most critical items” and does not provide a timeline or a plan for addressing all the critical items identified in the letters.



Since the JPA failed to directly address how it intends to remedy the breach of contract situation, the County must take additional action. The JPA statements in its prior correspondence that necessitate the action contemplated by this letter are as follows:

- The most critical items necessary for safe and proper emergency service response and treatment need immediate replacement. These items include the fleet of gurneys, stair chairs, cardiac monitors, radios and multiple ambulance units. (March 9, 2021 Letter)
- Unfortunately, the 3-year limited capital replacement allocation is simply not enough to meet the severely outdated capital equipment need. (March 9, 2021 Letter)
- The JPA and the County SA-7 have been operating under a reactive capital replacement plan, filling voids and replacing individual items as required on an as needed basis. This type of replacement plan is not a true capital replacement plan. (March 9, 2021 Letter)
- Given this critical need, we formally request \$1.3 million from the SA-7 fund to purchase and update these critical items. (March 9, 2021 Letter)
- Proper calculation of costs to administer the medic units and purchase appropriate Capital Assets was not executed which has resulted in the use of unsafe equipment during emergency responses, out of date and unserviceable equipment, and manufacturers being unwilling to service equipment due to potential liability concerns. (June 17, 2021 Letter)
- Our fear is that if we have a major equipment failure resulting in injury to a patient, personnel or both and we have identified the need and risk, that we, and the County as the funding source with a substantial CSA 7 fund balance, are going to be held financially liable at a significant expense. (June 17, 2021 Letter)

Those statements could be construed as an acknowledgment by the JPA that it is in breach of the Agreement because it has not provided all the equipment, vehicles and systems necessary to fulfill the requirements of the Agreement and, as a result, there is a risk to the public health and safety. A breach of contract of this type would qualify as a major breach under the terms of the Agreement. Potential grounds for declaring a major default under the Agreement may include, but are not limited to, 1) “failure of Contractor to operate the system in a manner which enables County and Contractor to remain in compliance with federal or State laws, rules or regulations, and with the requirements of the County EMS transportation ordinance and/or related rules and regulations” (Section 2.11.3 A.); 2) “chronic failure of Contractor to maintain equipment in accordance with manufacturer recommended maintenance procedures” (Section 2.11.3 G.); and/or, 3) “any other failure of performance, clinical or otherwise, required in the Agreement and which is determined by the County Director of Health Services or the County EMS Agency Medical Director and confirmed by the County Board of Supervisors to constitute a default or endangerment to public health and safety.” (Section 2.11.3 P.)

Since the JPA's response to the breach of contract allegations has been deemed insufficient, the Board has authorized the following:

1. County requests that the JPA provide the County with a Corrective Action Plan pursuant to the terms of the contract and as if a Notice of Major Breach had been formally issued.
2. JPA must respond in writing to the County within seven (7) business days of receipt of this letter, with a Corrective Action Plan including a timeline for completion of the corrective plan. In addition to the plan to remedy the vehicle and equipment situation the Corrective Action Plan must also include: 1) a specific response to the statements in the letters regarding the use of unsafe equipment during emergency responses, the use of out of date and unserviceable equipment and the statement that manufacturers are unwilling to service equipment due to potential liability concerns; 2) a specific response to the JPA's noted fear of a major equipment failure that could result in injury to a patient, personnel or both; and, 3) the JPA must provide the County with sufficient assurances that there is no risk to public health and safety.
3. If the Corrective Action Plan is not provided or is not sufficient then a Notice of Major Breach will be issued.
4. Staff will begin the Request for Proposal (RFP) process in light of the Major Breach situation and the fact that the RFP process can take 12 to 18 months to complete.

The hope is that this situation can be resolved expeditiously so as to avoid the need for further action, including the potential award of the contract to a different organization. Please let me know if you have any questions.



Don Ashton, MPA

Chief Administrative Officer

---

[1] "In addition, Contractor will be paid \$500,000 annually for the first three (3) years of the contract and such money shall be used solely for repair and replacement of capital assets. The annual amount will be paid to the Contractor on July 1 of each of the first three (3) years (July 1, 2018, 2019 and 2020). No further annual amount will [be] paid as defined in this Paragraph after July 1, 2020."



480 Locust Rd. Diamond Springs, CA 95619  
(530) 642-0622

[www.edcjpa.org](http://www.edcjpa.org) [admin@edcjpa.org](mailto:admin@edcjpa.org)

---

August 18, 2021

Don Ashton  
Chief Administrative Officer  
330 Fair Lane  
Placerville, CA 95667

Re: Response Letter Regarding Contract #2298

Dear CAO Ashton,

We are in receipt of your letter regarding the above referenced Response Letter. Due to the current Declaration of Emergency for the El Dorado County Caldor Incident, and the allocation of our local resources to this response, we respectfully request an additional 7 days to provide our written response to the County's requests.

Sincerely,

A handwritten signature in blue ink that reads "Brian K. Veerkamp".

Brian Veerkamp, Executive Director

A handwritten signature in black ink that appears to read "M. Johnson".

Chief Maurice Johnson, Board Chair

CAO AUG 19 '21 AM 11:01





# *The County of El Dorado*

---

## *Chief Administrative Office*

---

330 Fair Lane  
Placerville, CA 95667-4197

*Don Ashton, MPA  
Chief Administrative Officer*

*Phone (530) 621-5530  
Fax (530) 626-5730*

August 19, 2021

Mr. Brian Veerkamp, Executive Director  
Chief Maurice Johnson, Board Chair  
El Dorado County Emergency Services Authority  
480 Locust Road  
Diamond Springs, CA 95619

Re: Response Letter Regarding Contract #2298

Dear Mr. Veerkamp and Chief Johnson,

I have received your August 18, 2021, letter requesting additional time to respond to the requests laid out in the County's August 16th letter to you. Understanding the strains on your resources posed by the Caldor Fire, I am extending until September 3, 2021, the date by which you must submit your response.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Ashton".

Don Ashton, MPA  
Chief Administrative Officer



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

CAO SEP 2 21 PM 12:47

---

September 3, 2021

Don Ashton  
Chief Administrative Officer  
County of El Dorado  
330 Fairlane  
Placerville, CA 95667

RE: Response to Contract #2298 Prehospital Advanced Life Support, Ambulance and Dispatch Services Between County of El Dorado (County) and El Dorado County Emergency Services Authority (JPA) (Agreement)

CAO Ashton;

This letter is in response to the letter from your office, received by certified mail to the El Dorado County Emergency Services Authority on Thursday, August 19, 2021.

In this letter you stated the following per Board authorization:

*"1. County requests that the JPA provide the County with a Corrective Action Plan pursuant to the terms of the contract and as if a Notice of Major Breach had been formally issued.*

*2. JPA must respond in writing to the County within seven (7) business days of receipt of this letter, with a Corrective Action Plan including a timeline for completion of the corrective plan. In addition to the plan to remedy the vehicle and equipment situation the Corrective Action Plan must also include: 1). A specific response to the statements in the letters regarding the use of unsafe equipment during emergency responses, the use of out of date and unserviceable equipment and the statement that manufacturers are unwilling to service equipment due to potential liability concerns; 2). A specific response to the JPA's noted fear of a major equipment failure that could result in injury to a patient, personnel or both; and, 3). The JPA must provide the County with sufficient assurances that there is no risk to public health and safety.*

*3. If the Corrective Action Plan is not provided or is not sufficient then a Notice of Major Breach will be issued.*

*4. Staff will begin the Request for Proposal (RFP) process in light of the Major Breach*



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

*situation and the fact that the RFP process can take 12 to 18 months to complete.”*

Enclosed, please find our Corrective Action Plan addressing items 1 and 2. Successful implementation of this plan relies on accessing our available undesignated reserve funds. We are currently waiting on the County Auditor's Office to finalize Fiscal Year 2020-21 and send out the end of year statements to update our records specific to our updated undesignated reserve fund balance. The County Auditor's Office has stated that those records will not be available until after September 3, 2021.

We believe that upon implementation of the Corrective Action Plan we will have mitigated the risks arising from use of unsafe equipment, out of date and unserviceable equipment, or equipment that manufacturers are unwilling to service. This will alleviate our concern that failure of defective equipment might result in injury to a patient, personnel, or both. With implementation of the Corrective Action Plan, the condition of our equipment will not endanger the public health and safety.

Thank you,

A handwritten signature in blue ink that reads 'Brian Veerkamp'.

\_\_\_\_\_  
Brian Veerkamp  
Executive Director

A handwritten signature in black ink that reads 'Maurice Johnson'.

\_\_\_\_\_  
Fire Chief Maurice Johnson  
Board Chair

Cc: Board of Director Members, El Dorado County Emergency Services Authority





480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

## CORRECTIVE ACTION PLAN

### I. Issue/Problem Definition

- a. County requests that the JPA provide the County with a Corrective Action Plan pursuant to the terms of the contract and as if a Notice of Major Breach had been formally issued.

### II. Root Cause Evaluation:

On May 23, 2018, the El Dorado County Emergency Services Authority entered into a five-year contract with the County of El Dorado to provide Ambulance and Dispatch Services to El Dorado County Service Area No.-7 (CSA 7). With the adoption of the JPA Capital Replacement Plan in 2020, the JPA took a proactive stance on the Capital Replacement needs.

**Article II-General Provisions: Section 2.1 Scope of Services and Standards of Service for Prehospital ALS: Sub-section: 2.1.1 Emergency Medical Standards and Requirements: Part B** states:

*“Contractor shall at all times meet the requirements set forth...including but not by way of limitation, personnel, ambulances, equipment, services, and supplies”.*

**Article II-General Provisions: Section 2.1-Scope of Services and Standards of Service for Prehospital ALS: Subsection 2.1.12 Response Time Standards: Part H-Backup Unit Coverage Requirements.** states:

*“The Contractor shall establish and maintain the capability to staff and activate backup ambulance units 24 hours per day 365 days per year. Contractor shall use best efforts to expeditiously staff a backup unit when requested.”*

**Article II-General Provisions: Section 2.3 Compensation for Services: Subsection 2.3.1** states, *“...Contractor will be paid \$500,000 annually for the first three (3) years of the contract and such money shall be used solely for repair and replacement of capital assets. The annual amount will be paid to the Contractor on July 1 of each of the first three (3) years (July 1, 2018, 2019, and 2020). No further annual amount will be paid as defined in this Paragraph after July 1, 2020.”*

**Article V.-Vehicles, Equipment and Supply Requirements: Section 5.4 ALS Medical Equipment: Subsection 5.4.3** states:

*“Compliance with these medical equipment requirements is not mandated for inactive ‘reserve’ units.”*



480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

### III. Action Steps:

Goal:	Task:	Assigned To:	Completion Date:
<b>I. Provide County with a Corrective Action Plan</b>	1. Draft Corrective Action Plan	JPA Executive Director	8/24/2021
	2. Board of Directors to review Draft Corrective Action Plan	JPA Board Members	8/25/2021
	3. Finalize edits to Corrective Action Plan	JPA Deputy Director	9/1/2021
	4. Submit Corrective Action Plan to County CAO	JPA Executive Director & JPA Board Chair	9/3/2021
	5. Implement specific tasks associated with Corrective Action Plan.	JPA Staff	10/1/2021

#### I. Issue/Problem Definition

- a. JPA must respond in writing to the County within seven (7) business days of receipt of this letter, with a Corrective Action Plan including a timeline for completion of the corrective plan. In addition to the plan to remedy the vehicle and equipment situation the Corrective Action Plan must also include: 1). A specific response to the statements in the letters regarding the use of unsafe equipment and the statement that manufacturers are unwilling to service equipment due to potential liability concerns; 2). A specific response to the JPA's noted fear of a major equipment failure that could result in injury to a patient, personnel or both; and, 3). The JPA must provide the County with sufficient assurances that there is no risk to public health and safety.



480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

## II. Action Steps

Goal:	Task:	Assigned To:	Completion Date:
<p><b>II. Provide specific response to the statements in the letters regarding the use of unsafe equipment and the statement that manufacturers are unwilling to service equipment due to potential liability concerns</b></p>	<p>1. Fleet of Gurneys</p> <ul style="list-style-type: none"> <li>▪ The JPA currently has an inventory of nine gurneys that were purchased in 2008, four gurneys that were purchased in 2010, one gurney that was purchased in 2018 and two gurneys outfitted with Power Load Systems that were purchased in 2019.</li> <li>▪ Per the terms of the Master Contract the JPA is required to maintain a full ALS equipment inventory on the 8 in-service medic units in the system. The remaining gurneys are available as “reserve” equipment should a gurney need to be sent for repair, maintenance, or replacement.</li> <li>▪ For FY 21/22 the JPA intends to allocate a portion of the undesignated reserve funding to pay Year One of a five-year lease agreement for new gurneys. Each medic unit will be assigned a new gurney and the JPA will maintain two spare gurneys. (New gurneys were purchased and installed on Medic 85 and Medic 17 in 2019). As part of this lease agreement, the JPA will also retro fit the medic fleet with the Power Load</li> </ul>	<p>JPA Executive Director &amp; Deputy Director</p>	<p>Execute 5-Year lease with vendor for replacement gurneys and Power Load devices. Process payment for Year 1 of lease:10/29/21</p> <p>Receive new gurneys and complete retrofit of Power Load device on medic fleet: 1/31/2022</p> <p>Process payment for Year 2 of Lease: 10/31/2022</p>





480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

	<p>system. This will ensure that the entire fleet has the ability to utilize the power load gurney system. This allocation is contingent on receiving an undesignated reserve fund balance from the County Auditor's Office.</p> <ul style="list-style-type: none"> <li>▪ The vendor has advised the JPA that delivery of the new gurneys and Power Load Systems will take 60-90 days.</li> <li>▪ This five-year lease included an annual preventative maintenance program.</li> <li>▪ Year 2 of the lease payment will be factored into the budget development for FY 22/23.</li> </ul>		
	<p>2. Stair Chairs</p> <ul style="list-style-type: none"> <li>▪ Stair Chairs are not a required piece of equipment.</li> <li>▪ The JPA currently has thirteen stair chairs in use in the system. Seven of these units are assigned to "reserve" medic units.</li> <li>▪ The JPA has an executed Preventative Maintenance Agreement to perform the following on the stair chair units in the system:             <ul style="list-style-type: none"> <li>• Preventative Maintenance</li> <li>• Equipment Tune-Up</li> <li>• Equipment Evaluation</li> <li>• Usage basic operational training</li> <li>• Equipment Report</li> </ul> </li> </ul>	<p>JPA Executive Director &amp; Deputy Director</p>	<p>FY 21/22          PM's:          9/30/2021</p> <p>FY 22/23          PM's:          9/30/2022          (dependent on recommendation of Equipment/Supply Committee)</p>



480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

	<ul style="list-style-type: none"> <li>▪ JPA Staff is coordinating with the vendor to schedule the PM sessions for these units. The Caldor Fire will necessitate the JPA to schedule meetings in mid to late September.</li> <li>▪ At the recommendation of the vendor, if a stair chair assigned to a primary medic unit needs to be taken out of service, one of the “reserve” stair chairs can be put into service.</li> <li>▪ Equipment &amp; Supply Committee will meet to discuss and evaluate the continued use of stair chairs.</li> <li>▪ Based on recommendation of Equipment &amp; Supply Committee Staff will either extend the contract with the vendor, remove the equipment from inventory, or budget for replacement of the units for FY 22/23.</li> </ul>		
	<p>3. Cardiac Monitors</p> <ul style="list-style-type: none"> <li>▪ The JPA currently has thirteen of the Zoll X Series Monitors purchased in 2017. Per the JPA Capital Replacement Plan, Zoll Monitors have a recommended lifespan of ten years. These X Series Monitors continue to receive comprehensive service including annual preventative maintenance service from Zoll and do not currently need replacement. Annual maintenance on these monitors was performed in June of 2021</li> </ul>	<p>JPA Executive Director &amp; Deputy Director</p>	<p>X Series FY 21/22 Annual Preventative Maintenance: Completed June 2021</p> <p>E Series FY 21/22 Annual Preventative Maintenance: Completed June 2021</p> <p>M Series: Removed from</p>



480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

	<ul style="list-style-type: none"> <li>▪ The JPA currently has three Zoll E Series Monitors purchased in 2009. These E Series Monitors are eligible for annual preventative maintenance performed by Zoll. These units received annual maintenance in June of 2021.</li> <li>▪ The JPA currently has two Zoll M Series Monitors. These monitors are no longer supported by Zoll and the JPA has removed them from medic units. These units will be recommended as surplus inventory for FY 21/22.</li> <li>▪ Per the terms of the Master Contract the JPA is required to maintain a full ALS equipment inventory on the eight in-service medic units in the system. The remaining cardiac monitors are available as “reserve” equipment should a monitor need to be sent for repair or maintenance.</li> </ul>		<p>units. Held at JPA Office awaiting inventory surplus process for FY 21/22.</p> <p>X Series FY 22/23 Annual Preventative Maintenance: To be scheduled for June 2022</p> <p>E Series FY 22/23 Preventative Maintenance: To be scheduled for June 2022</p>
	<p>4. Radios</p> <ul style="list-style-type: none"> <li>▪ The JPA maintains an inventory of 135 radios of different makes and models. With only eight full-time ambulance units, there are sufficient radios to go into service between the Member Agencies of the JPA. The most recent radio purchase was made in 2020 with the BK DPH Portable Radios. Portable radios have a recommended life span of 5-7 years. While there are radios in the inventory that were</li> </ul>	<p>JPA Deputy Director</p>	<p>N/A</p>



480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

	<p>purchased outside of that recommended life span, they are still functional and are available as “reserve” radios should the need arise to send a full-time medic unit radio in for service or repair.</p> <ul style="list-style-type: none"> <li>▪ JPA will continue to evaluate the performance of the radio cache and recommend replacement as needed.</li> </ul>		
	<p>5. Ambulance Units</p> <ul style="list-style-type: none"> <li>▪ The JPA currently has 18 available medic units, however eight of these units are assigned as frontline units in the system. The remaining units are considered “reserve” units.</li> <li>▪ On April 27, the JPA was invoiced for the two medic unit remounts and placed into service as Medic 85 and Medic 28.</li> <li>▪ For FY 21/22 the JPA intends to allocate undesignated reserve funds to complete the remount process for two additional medic units. This allocation is contingent on receiving an undesignated reserve fund balance from the County Auditor’s Office.</li> <li>▪ During FY 21/22 the JPA will conduct an in-depth analysis of medic unit utilization evaluating the following:           <ul style="list-style-type: none"> <li>▪ Total Mileage</li> <li>▪ Prior FY work orders/service records</li> </ul> </li> </ul>	<p>JPA Executive Director &amp; JPA Deputy Director</p>	<p>Facilitate the order of 2 new chassis for medic remounts for FY 21/22-12/31/21</p> <p>Initiate Medic Unit Analysis: 11/1/21.</p> <p>Complete Medic Unit Analysis: 2/16/22</p> <p>Present Vehicle Replacement Plan to BOD: 2/23/21</p>





480 Locust Rd. Diamond Springs, CA 95619  
 (530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

	<ul style="list-style-type: none"> <li>▪ Hours of use</li> <li>▪ Based on the findings from this analysis, JPA Staff will present a vehicle replacement plan schedule to the JPA Board of Directors for review and adoption.</li> </ul>		
<p><b>III. Provide specific response to the JPA's noted fear of a major equipment failure that could result in injury to a patient, personnel or both</b></p>	<p>6. With the existence of maintenance contracts and manufacture warranties based on the information listed above and the implementation of listed replacement plans, the JPA has confidence that the equipment utilized in the EMS system will be closely monitored, evaluated, repaired or replaced on an annual basis and/or as needed, and thus will not create a risk of harm to patients, personnel, or both due to equipment failure.</p>	<p>JPA Executive Director &amp; Deputy Director</p>	
<p><b>IV. Provide the County with sufficient assurances that there is no risk to public health and safety</b></p>	<p>7. Based on the information listed above and the proposed maintenance and/or replacement of the capital assets items the JPA is confident that the EMS system will continue to provide service to the community in the most appropriate and effective manner, and the condition of these assets will not create a risk of harm to public health and safety.</p>	<p>JPA Board of Directors, Executive Director &amp; Deputy Director</p>	



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

III. Certification

The undersigned have read this Corrective Action Plan and agree to its terms.

A handwritten signature in blue ink that reads "Brian Veerkamp".

\_\_\_\_\_  
Brian Veerkamp  
Executive Director

A handwritten signature in black ink that reads "Maurice Johnson".

\_\_\_\_\_  
Fire Chief Maurice Johnson  
Board Chair

\_\_\_\_\_  
Don Ashton  
El Dorado County Chief Administrative Officer



# The County of El Dorado

## Chief Administrative Office

330 Fair Lane  
Placerville, CA 95667-4197

Don Ashton, MPA  
Chief Administrative Officer

Phone (530) 621-5530  
Fax (530) 387-2253

September 28, 2021

Mr. Brian Veerkamp, Executive Director  
Chief Maurice Johnson, Board Chair  
El Dorado County Emergency Services Authority  
480 Locust Road  
Diamond Springs, CA 95619

Dear Mr. Veerkamp and Chief Johnson,

Thank you for your September 3, 2021, Corrective Action Plan and your assurances that the JPA is currently able to meet the terms of the agreement and, most importantly, that the JPA is able to ensure that the public health and safety needs of our community are not at immediate risk, as was indicated in your June 17, 2021, letter.

While we appreciate your response, the Corrective Action Plan does not include actual costs to replace the equipment, nor the JPA's ability to financially support the plan. Therefore, before the County is able to accept the Corrective Action Plan, the JPA must be able to demonstrate it has the financial capability to implement the plan and avoid a major breach of contract in the future.

- 1) The plan states two medic unit remounts are planned for FY 2020-21, but this project is contingent upon determination that undesignated fund balance is available for this purpose. The County financial records closed on September 17, 2021, so we request confirmation that sufficient funding is available to fund this project.
- 2) It would be preferable for the JPA to propose a solution for the gurney fleet that does not obligate the JPA beyond the current term of the agreement between the County and the JPA. If this is not possible, please confirm that this lease agreement would allow for an early termination should the JPA not be awarded a successor agreement and that sufficient funding is available for the lease payments and any applicable early termination fees that would be incurred during the term of the current agreement.
- 3) You stated in your June 17, 2021, letter, "We have instituted additional financial controls and policies to be more efficient and fiscally responsible and any funds that are not expended will be allocated directly to a contingency fund at the EDC ESA." What actions has the JPA taken, or is the JPA taking, to ensure all funds provided by the County during the term of this agreement have been used to directly support the ambulance system, and were not used to support other services such as fire services?

- 4) If the JPA determined, or if the JPA determines, that funds are being used for purposes other than the direct support of the ambulance system, what actions will be taken to recover those funds?
- 5) Please provide a summary of what actions the JPA has taken, or is taking, to reduce costs in order to preserve as much fund balance as possible. Included in this information, identify the actual estimated cost savings amount and financial projections for the remaining term of the contract.

Please provide this information no later than 5:00pm on October 5, 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Ashton", with a stylized flourish at the end.

Don Ashton, MPA  
Chief Administrative Officer





480 Locust Rd. Diamond Springs, CA 95619  
(530) 642-0622  
[www.edcjpa.org](http://www.edcjpa.org) [admin@edcjpa.org](mailto:admin@edcjpa.org)

---

October 5, 2021

Don Ashton  
Chief Administrative Officer  
County of El Dorado  
330 Fairlane  
Placerville, CA 95667

Re: County Response to JPA Corrective Action Plan

Per your request, please find the responses to your information requests below.

1. *The plan states two medic unit remounts are planned for FY 2020-21, but this project is contingent upon determination that undesignated fund balance is available for this purpose. The County financial records closed on September 17, 2021, so we request confirmation that sufficient funding is available to fund this project.*
  - At the start of Fiscal Year 2020-21, EDC ESA had \$627,132.86 in the Undesignated Reserve Fund Balance (see attached EDC Report: Details for the Accounting Period Ended: July 31, 2020). Based on the Year-End 2021 Report received from the County, the year-end balance for FY 20/21 was \$712,994.54 bringing the total Undesignated Reserve Fund Balance to \$1,340,127.40 (see attached EDC Report: Details for the Accounting Period Ended: Year-End, 2021). The anticipated cost of two medic unit remounts is \$360,000. The current Undesignated Reserve Fund Balance will cover this expense.
  
2. *It would be preferable for the JPA to propose a solution for the gurney fleet that does not obligate the JPA beyond the current term of the agreement between the County and the JPA. If this is not possible, please confirm that this lease agreement would allow for an early termination should the JPA not be awarded a successor agreement and that sufficient funding is available for the lease payments and any applicable early termination fees that would be incurred during the term of the current agreement.*
  - The minimum lease term offered for the gurney fleet is 5-years. The lease language does allow for early termination with notice, with the balance of the lease being due at that time. Annual lease payments are estimated to be \$78,191.87. The JPA would allocate Undesignated Reserve Funds to cover the projected termination costs for the final three years of the lease totaling \$234,575.61.



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcjsa.org](http://www.edcjsa.org) [admin@edcjsa.org](mailto:admin@edcjsa.org)

---

3. *You stated in your June 17, 2021, letter, "We have instituted additional financial controls and policies to be more efficient and fiscally responsible and any funds that are not expended will be allocated directly to a contingency fund at the EDC ESA." What actions has the JPA taken, or is the JPA taking, to ensure all funds provided by the County during the term of this agreement have been used to directly support the ambulance system, and were not used to support other services such as fire services?*
  - Per direction from the JPA Board, the Finance Committee was reinstated and meets on a regular basis. JPA Staff review all service and supply invoices related to the daily operation of the medic unit fleet and hold the transport and non-transport members to JPA financial policies.
  
4. *If the JPA determined, or if the JPA determines, that funds are being used for purposes other than the direct support of the ambulance system, what actions will be taken to recover those funds?*
  - Should the JPA determine that funds are being used for purposes other than the direct support of the ambulance system, the JPA would do everything necessary allowed by law, JPA Policy and Board direction to recover those funds.
  
5. *Please provide a summary of what actions the JPA has taken, or is taking, to reduce costs in order to preserve as much fund balance as possible. Included in this information, identify the actual estimated cost savings amount and financial projections for the remaining term of the contract.*
  - At the conclusion of Fiscal Year 2019-20, the Undesignated Balance for the year was \$160,970.52 (see attached EDC Report: Details for the Accounting Period ended: June 30, 2020). The FY 20/21 Preliminary Budget had \$102,000 of Fixed Asset funds that were not specifically allocated. As referenced under item #1 of this letter, the Undesignated Balance for Fiscal Year 2020-21 was \$712,994.54, representing \$157,180.99 in unspent Fixed Asset funds and \$555,813.55 in unspent Administrative/Operational funds. That represents a cost savings of \$552,024.02 between FY 19/20 and FY 20/21. Such significant cost savings can be attributed to several factors;
    - The JPA Board of Directors approved the hiring of an Executive Director and Deputy Director who were tasked with administrating the Emergency Services Authority.
    - The JPA Board of Directors re-instated the Finance Committee for review, policy development and fiscal oversight. All expenditures are reviewed by JPA Staff with Board oversight and Auditor review.
    - The JPA Staff manages the purchase of supplies through approved vendors and negotiates service and maintenance contracts.





480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

- After review of existing accounts, JPA Staff recommended the cancellation of several service accounts that were unnecessary including several phone and internet plans representing an annual cost savings of over \$10,500. Additionally, JPA Staff worked with the County Auditors Office to change certain accounting practices to streamline the tracking of revenue received versus expenses encumbered.
- JPA Staff obtained the use of a loaner staff vehicle provided at no cost to the JPA. This vehicle, provided by Thompson's Toyota saved the JPA the purchase price of a new vehicle and exemplifies our and the community's support for keeping costs down and service level up!
- JPA Staff instituted financial controls on items such as fuel cards and utilization, and medic unit maintenance.
- An additional factor in the cost savings realized for FY 20-21 was the COVID-19 pandemic. Through May of 2021, overall call volume was down an average of 4.24% for FY 20-21 when compared with response statistic from 2019-20. A reduction in overall call volume meant the JPA saw a decrease in fuel expenses, and vehicle maintenance. This represented a cost savings of \$13,266 for fuel expenses and \$12,270 for vehicle maintenance. The JPA also saw a reduction in the reimbursement cost to Marshall Medical Center for Critical Care Transfers representing a \$9,343 cost savings.

Unfortunately, the full effect of the COVID-19 pandemic is not over. While overall call volume was down for the majority of FY 20/21, the JPA has already seen an increase in call volume for FY 21/22. That means operating expenses are increasing as well. In addition to the increase in call volume, the COVID-19 pandemic has affected nearly every aspect of the day-to-day operations of the JPA. The cost of fuel continues to increase across the nation. Due to manufacturer and supply shortages, the cost of medical supplies, medical equipment, vehicle maintenance supplies and vehicle maintenance equipment continue to increase across the nation as well. PPE related medical supplies continue to be on order allocation with the suppliers and the cost of those items continues to increase with suppliers scrambling to find suitable replacement for items that have been out of stock for months with no anticipated date of return. While FY 20/21 provided cost savings to the JPA, that same level of savings is not predicted for the remainder of the ambulance service contract term.

JPA Staff presented a balanced budget to the JPA Board of Directors in August of 2021 with only \$68,000 allocated to Capital Asset purchases. With the anticipated cost increases currently being realized, JPA Staff cannot at this time confidently predict the financial projections for the remainder of the contract. Comparing the expenditures from FY 20/21 to FY 21/22 is not a like for like comparison. The long-lasting implications of the pandemic are only just starting to be realized and with new variants and new



480 Locust Rd. Diamond Springs, CA 95619

(530) 642-0622

[www.edcipa.org](http://www.edcipa.org) [admin@edcipa.org](mailto:admin@edcipa.org)

---

regulations being announced so frequently, it is difficult to predict how that will fully affect the budget of the JPA.

We are diligently working to further reduce costs and create efficiencies as well as work within our very supportive community. We look forward to the remainder of our contract and soon discussing the successor one.

Sincerely,

Brian Veerkamp, Executive Director

Fire Chief Maurice Johnson, Board Chair





# *The County of El Dorado*

---

## *Chief Administrative Office*

---

330 Fair Lane  
Placerville, CA 95667-4197

*Don Ashton, MPA*  
*Chief Administrative Officer*

*Phone (530) 621-5530*  
*Fax (530) 387-2253*

October 12, 2021

Mr. Brian Veerkamp, Executive Director  
Chief Maurice Johnson, Board Chair  
El Dorado County Emergency Services Authority  
480 Locust Road  
Diamond Springs, CA 95619

Re: Response Letter Regarding Contract #2298

Dear Mr. Veerkamp and Chief Johnson,

I am in receipt of your letter dated October 5, 2021, providing clarification on the corrective action plan originally submitted on September 3, 2021. Generally, the clarification provided demonstrates the JPA's financial capability to implement the corrective action plan; therefore, the corrective action plan is acceptable at this time. However, it should be noted that the solution for the gurney fleet obligates the JPA beyond the term of the JPA's agreement with the County and includes an early termination fee of approximately \$235,000. While the JPA has identified current funding for this expense, as noted in my initial response to the corrective action plan, dated September 28, 2021, it would be preferable to identify a solution that would not obligate the JPA beyond its current agreement with the County. I encourage you to continue to explore more cost-efficient solutions for the gurney fleet, in order to ensure taxpayer dollars are not wasted due to the early termination of the agreement in the event the contract with the JPA is not extended.

I would also like to clarify and correct some of the financial information provided in paragraph 5 of your letter. You state, in part, "At the conclusion of Fiscal Year 2019-20, the Undesignated Balance for the year was \$160,970.52..." In fact, the unreserved, undesignated fund balance as of June 30, 2020, was \$627,132.86. The year-end fund balance amounts for each year of the current contract are below:

June 30, 2019	\$356,313.11
June 30, 2020	\$627,132.86
June 30, 2021	\$1,340,127.40

I appreciate the JPA's efforts and cooperation in providing assurance the JPA will be able to meet its obligations through the remainder of the agreement and that the public health and safety of our community are not at risk. Should that change, I trust you will notify the County immediately.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Ashton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Don Ashton, MPA  
Chief Administrative Officer