



## Legislation Text

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**File #:** 19-1102, **Version:** 1

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Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division, recommending the Board:

- 1) Make findings that it is more economical and feasible to contract out for prehospital advanced life support, ambulance, and dispatch services in accordance with County Ordinance Code Section 3.13.030; and
- 2) Approve and authorize the Chair to execute an agreement with the California Tahoe Emergency Services Operations Authority for the period of September 1, 2019 through August 31, 2021, in the base amount of \$6,975,576, for the provision of prehospital advanced life support, ambulance, and dispatch services within the South Shore zone of County Service Area (CSA) 3.

**FUNDING:** CSA 3 ambulance service fees and special tax revenue.

### **DISCUSSION / BACKGROUND**

CTESOA has been the contracted ambulance operator in the CSA 3 South Shore operating area for 18 years; however, the EMS Act provides for periodic competition for ambulance operations contractors. The County issued RFP 19-918-037 in November, 2018 and responses were due on February 1, 2019. The RFP sought a contractor for a ten-year term, with a potential for a five-year extension. CTESOA was the only respondent, and the Board awarded the RFP to CTESOA on March 12, 2019 (Legistar #19-0303). Following the award of the RFP, the County and the State Emergency Medical Services Agency (EMSA) entered into settlement agreement to resolve the County's appeal of EMSA's denial of the County's EMS Plan. Under the Agreement, the County agreed to conduct a new competitive process to establish an exclusive operating area in CSA 3 before August 31, 2021. The need for a shorter term contract necessitated some adjustments to the budget that CTESOA proposed in its RFP response; however, the scope of services and general terms remain unchanged.

Under this contract, CTESOA will continue its current operations model, which includes both civilian EMTs and paramedics as well as firefighter-paramedics. This model helps constrain personnel costs while still providing all-hazard response capability. The base cost for the first year of the 24-month agreement is \$3,298,588, plus a capital equipment maintenance and replacement payment of \$120,000 and a reimbursement of up to \$100,000 for tenant improvements to a new facility. The base cost for the second year is \$3,336,988 plus a capital equipment maintenance and replacement payment of \$120,000. On January 1 of each year, the cost is increased by the Ambulance Inflation Factor (AIF). The AIF for 2019 was 2.3%. The agreement also provides for compensation for disaster services to be reimbursed by State and federal agencies, and for stand-by compensation for event services at the rate of 93% of actual fees collected for any services provided. Non-emergency interfacility transfers exceeding 150 patient-loaded miles will also be compensated at 93% of actual fees collected.

CTESOA's current agreement with the County expires August 31, 2019.

The Board is asked to make findings that it is more economical and feasible to contract out for prehospital advanced life support, ambulance, and dispatch services in accordance with County

Ordinance Code Section 3.13.030 because the County does not have the equipment, facilities, and staff available to provide such services.

### **ALTERNATIVES**

If the Board does not approve the agreement, the County will not have an operations contractor for the South Shore zone of CSA 3 once the current contract expires on August 31, 2019.

### **PRIOR BOARD ACTION**

RFP 19-918-037 was awarded on March 12, 2019 (Legistar #19-0303).

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Health and Human Services drafted and issued the RFP. The contract was negotiated by the CAO's Office and approved by County Counsel.

### **CAO RECOMMENDATION / COMMENTS**

It is recommended that the Board approve this item.

### **FINANCIAL IMPACT**

The proposed contract amount for year one exceeds the current budgeted revenue for CSA 3; however, the revenue projection will be revised based on actual receipts in FY 2018-19, which exceed the current budget. The revised projection will also take into account the rate increase for inflation that was effective July 1, 2019.

In addition, the Board has directed staff to review the ambulance fees in the CSA and there may be some potential for revenue increases in the future. Even at current rates, there is sufficient fund balance in the CSA to cover the agreement while maintaining adequate reserves for economic uncertainty throughout the term of the agreement.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

The Clerk will forward a fully executed original to the Chief Administrative Office.

### **STRATEGIC PLAN COMPONENT**

Public Safety

### **CONTACT**

Sue Hennike, Deputy CAO