



## Legislation Text

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**File #:** 22-1014, **Version:** 1

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Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division, recommending the Board approve and authorize the Chair to sign Amendment I to Agreement for Services 2298 with El Dorado County Emergency Services Authority for prehospital advanced life support, ambulance, and dispatch services in County Service Area 7, extending the term through June 30, 2025 and increasing compensation by \$31,692,788 for a new total compensation amount of \$91,687,212.

**FUNDING:** Ambulance Fee Revenue (60%), Ad Valorem Property Tax (27%), Special Tax (12%), Miwok Tribe Contract Revenue (1%).

### **DISCUSSION / BACKGROUND**

The County currently contracts exclusively with the JPA for the provision of prehospital emergency medical services and ambulance transport and dispatch services in CSA 7 on the West Slope of the County. The term of the current agreement is July 1, 2018, through June 30, 2023. The agreement provides for a flat annual rate that is inclusive of all services (“base rate”) and increases annually by the Ambulance Inflation Factor. The base rate for the first year was \$11,300,000. The current rate for Fiscal Year (FY) 2021-22 is \$11,687,271. The agreement also provided for an additional payment of \$500,000 per year for the first three years of the agreement, for the repair and replacement of capital assets.

On November 16, 2021 (file #21-1669), the Board authorized the Chief Administrative Office to issue a Request for Qualifications (RFQ) to retain a consultant to perform a comprehensive assessment of the ambulance transport system within the County, and to negotiate a two-year extension with the JPA to continue services during the system assessment. The RFQ has been issued and responses are due June 30, 2022. To negotiate the extension, representatives from the JPA met with representatives from the Chief Administrative Office, including Emergency Medical Services Agency staff, and County Counsel. The negotiations have resulted in a tentative agreement for the Board's consideration. The agreement includes an extension of two years for a total contract term of seven years, as well as an increase to the annual compensation amount for the last year (year five) of the current term of the agreement. The annual payment for year five of the agreement (July 1, 2022-June 30, 2023) as currently written would have been \$12,283,318. Based on estimated costs reported by the transporting members of the JPA, the JPA requested \$13,099,992 for the 2022-23 fiscal year, an increase of \$816,674 to the original agreement. For the period of the extension, in Fiscal years 2023-24 and 2024-25, additional amounts will be provided for capital asset replacement and repair, and the total contract amount will escalate by 7% annually, rather than by the Ambulance Inflation Factor. This escalator was negotiated based on inflation and the JPA's estimated increases in the transporting agencies' costs in the coming years. The total increase to compensation as a result of the amendment would be \$31,692,788, bringing the total compensation for the seven-year period to \$91,687,212. A breakdown of the compensation by year is included as attachment A.

In addition to the compensation changes several non-monetary items were negotiated, including an agreement to meet and discuss impacts from increased development on the Shingle Springs

Rancheria, a requirement for the JPA to account separately for capital asset expenditures, a requirement for the JPA to report actual costs semi-annually for each transporting agency, the JPA operations, and capital assets, enhanced indemnification of the County by the JPA, and a requirement for the JPA to return any unspent funds upon termination of the contract if a successor agreement is not entered into by the County and the JPA.

### **ALTERNATIVES**

The current agreement expires June 30, 2023. Should the Board choose not to extend the agreement staff would need direction to either renegotiate with the JPA for a successor agreement or initiate a competitive process to find an alternative provider.

### **PRIOR BOARD ACTION**

June 12, 2018, Board approved Agreement #2298 with Legistar item 18-0884.

November 16, 2021, Board authorized CAO to negotiate a two-year extension to Agreement #2298 with Legistar item 21-1669.

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

County Counsel

### **FINANCIAL IMPACT**

CSA 7 receives a portion of the ad valorem property tax, a special tax specifically for fire-based ambulance transport services, and revenue from ambulance service fees billed to patients and their insurance companies. At the current rates, it is projected that sufficient funding will be available through the end of the extended contract term; however, it may be necessary to use some of the accumulated fund balance in CSA 7 in the final year of the contract (FY 2024-25).

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

Obtain the Chair's signature on the agreement and return to the Chief Administrative Office, to the attention of Sue Hennike

### **STRATEGIC PLAN COMPONENT**

Public Safety

### **CONTACT**

Sue Hennike, Deputy CAO