

**CITY OF COSTA MESA**  
**SUPPLEMENTAL MEMORANDUM**

**TO:** THE HONORABLE CITY COUNCIL  
**FROM:**  ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR  
**DATE:**  JANUARY 15, 2016  
**SUBJECT:** AGENDA ITEM "I-405 IMPROVEMENT PROJECT – AESTHETICS PLAN"

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The subject item is scheduled for the regular City Council meeting of January 19, 2016. Staff presented this item to the Cultural Arts Committee on January 14, 2016. Staff presented the recommended decorative retaining wall option included with the staff report (Attachment 3) and also an earlier option considered. The recommended option includes Coast Live Oak and White Tailed Kite elements. The other option includes Least Terns and grasses.

The Cultural Arts Committee preferred the decorative retaining wall option with Least Terns and grasses.

Please let us know should you have any questions relative to the Cultural Arts Committee's action.

Attachment

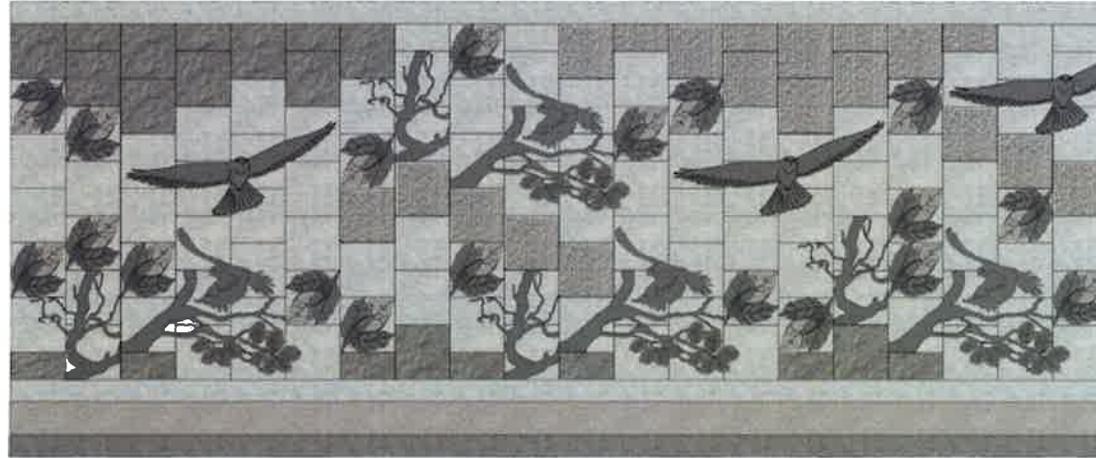
c Tom Hatch, Chief Executive Officer  
Raja Sethuraman, Transportation Services Manager  
Brenda Green, City Clerk

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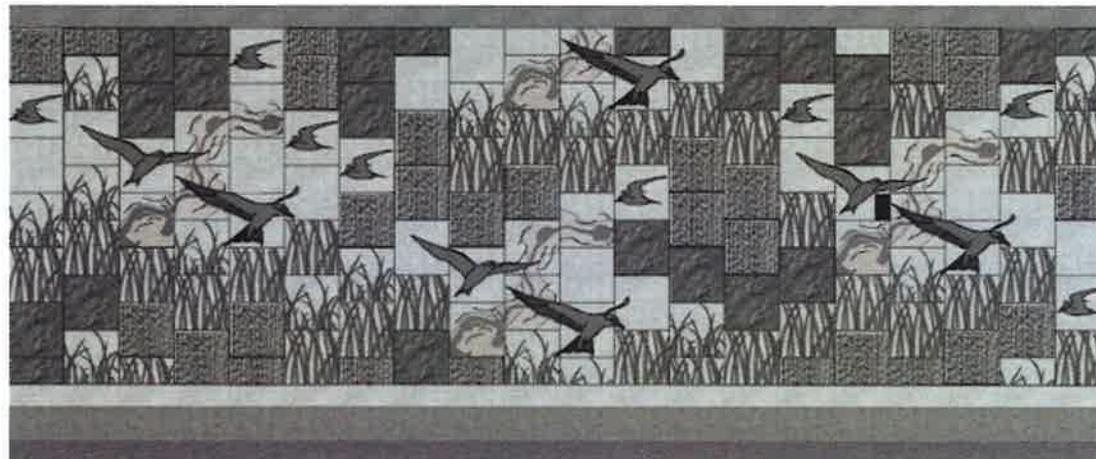


# Retaining Wall Art for Costa Mesa

Recommended Option: Coast Live Oak, White-tailed Kite



Alternative: Least Terns



Subject: Speed Humps on Saint Clair Street

1-17-16

Dear Costa Mesa City Council members,

I have lived on Saint Clair St. for 40 years (across from Jim Jordan for whom I help set up the Peanuts Christmas display at City Hall each year) and have been increasingly concerned about the cars that speed past my house on a regular basis. There are several children in homes close to me that ride scooters and bikes in the street and it's become a real safety issue. When Mr. Litvak approached me with his petition to have speed humps installed after a car crashed into his house, I was thrilled to sign it with the hopes we could finally slow the traffic down. I was so disappointed to see that all we got were the raised markers which don't force vehicles to slow down at all. Although I appreciate the city making the effort to put them in, drivers who love to speed simply speed over them as well. I realize Saint Clair didn't meet the traffic volume guidelines for speed humps but I believe it deserves an exception due to the overwhelming desire of the street's residents to acquire them in order to make Saint Clair safer, especially when it's relatively inexpensive to do so. And if you're looking for residents who don't mind them in front of their homes, I'd love to have one in front of my house!

I wish I were in town to attend the meeting. Thank you for your consideration on this matter. *I hope you all can make this happen.*  
Happy New Year!

Eric Yetter



A handwritten signature in black ink, appearing to be 'Eric Yetter', written over the redacted address area.

RECEIVED  
CITY CLERK  
16 JAN 19 AM 7:26  
CITY OF COSTA MESA  
BY *M. W. [unclear]*

<b>Existing Criteria</b>			<b>Proposed Criteria</b>		
1	<p><i>Does the proposed program meet a consolidated plan priority need?</i></p> <p>The Consolidated Plan process identifies the priority needs for programs and services in the community. Applications will be scored on the relative priority of the “Consolidated Plan Priority Need”, and whether it addresses a high, medium or low priority need.</p>	<p>High need = 10 pts. Medium need = 6 pts. Low need = 2pts.</p>	1	<p><i>Does the proposed program address a community need? (NEW)</i></p> <p>Data should be provided as evidence that a need exists in the community for the proposed program; and</p> <p><i>Does the proposed program meet a consolidated plan priority need?</i></p> <p>The Consolidated Plan process identifies the priority needs for programs and services in the community. Applications will be scored on the relative priority of the “Consolidated Plan Priority Need”, and whether it addresses a high, medium or low priority need.</p>	<p>15 pts.</p> <p>High need = 5 pts. Low need = 2 pts. No need = 0 pts.</p>
2	<p><i>The capacity of the applicant to implement the proposed program to meet projected service goal</i></p> <p>“Capacity” evaluation should be based on objective data such as the percentage of a stated goal the applicant has met on a consistent basis.</p>	20 pts.	2	<p><i>The capacity of the applicant to implement the proposed program to meet projected service goal</i></p> <p>“Capacity” evaluation should be based on objective data such as the percentage of a stated goal the applicant has met on a consistent basis</p>	15 pts.
3	<p><i>Cost effectiveness of the proposed program</i></p> <p>Program overhead is reviewed; existing policy recommends that no more than 20% of program funds should be expended for agency administration and fundraising.</p>	20 pts.	3	<p><i>Cost effectiveness of the proposed program</i></p> <p>Program overhead is reviewed; existing policy recommends that no more than 20% of program funds should be expended for agency administration and fundraising.</p>	15 pts.
4	<p><i>Leveraging of Costa Mesa CDBG funds</i></p> <p>Is the applicant able to bring additional funds to the table; matching CDBG funds from other resources; is the money used as seed money to create additional funding opportunities or a new program.</p>	15 pts.	4	<p><i>Leveraging of Costa Mesa CDBG funds</i></p> <p>Is the applicant able to bring additional funds to the table; matching CDBG funds from other resources; is the money used as seed money to create additional funding opportunities or a new program.</p>	10 pts.
5	<p><i>Financial and client tracking systems</i></p> <p>Staff tracks funding history for three years to ensure funds are being spent in a timely</p>	20 pts.	5	<p><i>Financial and client tracking system.</i></p> <p>Staff tracks funding history for three years to ensure funds are being spent in a timely</p>	10 pts.

	manner; there is sufficient documentation to support provided payment; timeliness of applicant's reports; and performance results as measured against established goals.			manner; there is sufficient documentation to support provided payment; timeliness of applicant's reports; and performance results as measured against established goals.	
6	<i>Percent of overall program budget benefiting Costa Mesa Residents</i> Programs are reviewed to encourage the support of programs that predominately service Costa Mesa.	10 pts. if 70%+ benefits CM residents; 6 pts. if benefits 30% to 69 % CM residents; 0 pts. If benefits 29% or less CM residents.	6	<i>Percent of overall program budget benefiting Costa Mesa Residents</i> Programs are reviewed to encourage the support of programs that predominately service Costa Mesa.	10 pts. if 70%+ benefits CM residents; 6 pts. If benefits 30% to 69 % CM residents; 0 pts. If benefits 29% or less CM residents.
7	<i>Effectiveness of interview</i> A well prepared applicant can better answer questions to assist the subcommittee to objectively review the application.	5 pts.	7	<i>Application submitted as a coalition or collaborative (MODIFIED/EXPANDED)</i> The City encourages innovative partnerships among applicants in an effort to efficiently and effectively meet the identified need(s) of City residents and to reduce program administrative costs. Coalition/collaboration members need not be applicants of CDBG funds.	10 pts.
8	<i>Coalition points</i> This is to encourage innovative partnerships among applicants in an effort to reduce program administrative costs.	10 pts.	8	<i>Agency based in the City of Costa Mesa (NEW)</i> Points awarded to agencies headquartered in City with consideration also given to agencies that provide services in the City.	Agency in City = 5 pts. Agency provides services in City = 2 pts.
9	<i>Veterans Preference</i> City Council authorized allocation of extra rating points for agencies that provide a preference to veterans and their families.	0 to 10 pts. based on percentage of veterans that are served	9	<i>Effectiveness of interview</i> A well prepared applicant can better answer questions to assist the subcommittee to objectively review the application.	5 pts.
			10	<i>Veterans Preference</i> City Council authorized allocation of extra rating points for agencies that provide a preference to veterans and their families.	0 to 10 pts. based on percentage of veterans that are served
	<b>TOTAL POSSIBLE POINTS:</b>	120 pts.			110 pts.
	<i>Other evaluation factors (no points awarded)</i> Clients served fall within HUD income limits Police calls for service for agencies within the City			<i>Other evaluation factors (no points awarded):</i> Police calls for service for agencies within the City	



1517 W. Braden Court • Orange, CA 92868  
www.careambulance.net  
(714) 288-3800

The Honorable Mayor Stephen Mensinger  
City of Costa Mesa  
77 Fair Drive  
Costa Mesa, CA 92626

January 18, 2016

Re: January 19, 2016 City Council Agenda; New Business Item 5: Ambulance Transportation for the City of Costa Mesa

Dear Mayor Mensinger,

Care Ambulance Service, in partnership with the Costa Mesa Fire Department, has been providing high quality emergency ambulance transportation to Costa Mesa for over eight years.

Over the course of our partnership, we have worked seamlessly with the CMFD in providing outstanding EMS services to the community, and have routinely exceeded our contractual requirements in providing ambulance services. We are proud of our relationship with the CMFD.

In reviewing the staff report for this item, as well as the consultant's report and ensuing recommendations, we strongly agree with their findings that Plans 2 and 4 do not bring the best value to the city of Costa Mesa and should be rejected.

Both Plans 2 and 4 have shown to be problematic for many municipalities throughout the country. In 2009 the City of Santa Ana made the decision to stop providing emergency ambulance service directly and entered into a public/private partnership saving them millions of dollars annually. More recently both Salem, Oregon and Washington, DC have put their programs back out to the private sector as the cost to provide ambulance services is typically 3-5 times higher for municipalities.

For example, the average wage for an EMT is \$12 per hour and our ambulances cost about \$120,000 each. Wages for city fire personnel are significantly higher than that and the cost of the current city ambulances are twice as much as ours. When comparing all data, the private sector is a high quality, cost effective alternative and that's why partnerships are so effective.

Municipalities that are looking to enter the ambulance business are indeed moving to a public/private partnership model that benefits both the municipality and the provider.

As advocates of the public/private partnership, we find that there are several issues that make the selection and implementation of Plan 3 both financially and logistically unrealistic and unattainable. Plan 3 is not a true public/private partnership model.

The inclusion and subsequent recommendation of Plan 3 is a real surprise as this plan is not used anywhere in the state. It is purely theoretical and has not been demonstrated to be effective.

Plan 3 would require a private ambulance provider to provide the same number of resources and commit to the same response time criteria that is required today, while only generating half of the current revenue. This is economically impossible and as such we would not consider participating in this type of model. We are confused as to why the consultants would bring this option forward.

What is missing from the report is the inclusion of true public/private partnership plans that are either currently used throughout the State, or are growing in adoption by municipalities that have .201 rights and want to take advantage of the GEMT revenue opportunity. These plans are true public/private partnerships and are used today in Santa Ana, San Clemente, La Habra, and Westminster where the municipality contracts with private providers for the provision of ambulance services, while the municipality takes full financial control.

We find it odd that the consultant did not include this type of plan for review as they are the major proponent of this type plan and were heavily involved in the recent RFP in Contra Costa County that now uses this new model. They also failed to include a 100% private paramedic option, which while we do not advocate at this time, should be a vetted alternative.

This consultant group is owned by two retired fire chiefs who have had no direct experience in either the private ambulance sector, or in the administration of public/private partnerships. Their experience is limited to fire department operated ambulance services. All of the plans demonstrate a revenue stream that is overstated, and none of them speak to the true fully loaded costs for operating such services. There is no pro forma, or cost report included that would be required for future GEMT access. The city should know these numbers before taking on the liability. Another \$1 in revenue is not worth it if you have to spend \$1.10 to get it.

The financial analysis is overly optimistic in that the transport numbers, payer mix, and revenue calculations are overstated by as much as 15-20%. You will not be able to generate the revenue you will need to cover the costs of providing the service, thereby leaving you no choice but to raise fees or taxes as recommended in the consultant's report.

As an example, the assumption that staffing four ambulances will service 100% of your needs is not realistic. Of the 7104 transports Care did last year, 592 had to be run by additional surge capacity outside of the 4 contracted ambulances we provide. This means that expected transports and revenue will be short by 8.3% or \$223,000 annually as the city will have to forfeit those dollars to the ambulance service that provides the backup. Today Care provides unlimited surge capacity at no cost to the city.

Additionally, the consultant estimated that the system was worth in excess of \$3 to \$4 million dollars. The reality is that the 7104 transports last year generated over \$1 million less than that. This is not the first time this consultant's financial analysis has been found to be questionable. During their RFP process Contra Costa County hired City Gate to review this consultant's work and they too found significant flaws in their financial assumptions, resulting in the selection of the public/private partnership over 100% fire operations.

The fact is ambulance service profit margins are no more than any other business, and typically run in the 3-7% range depending on the area. We operate efficiently and cost effectively, delivering exceptional service, something many municipalities face challenges doing when providing ambulance service.

There are also legal issues to take into consideration. Costa Mesa operates under the presumption that they have .201 rights. The State of California disagrees and has classified Costa Mesa as Non-Exclusive. This means that the State does not recognize the city's claim to anti-trust protections which leaves the city open to legal challenges in the future should an ambulance service demand to be placed into a call rotation.

The city would also take on the additional liability of patient handling and transportation where most injuries and claims occur. Today you are an additional insured under our insurance umbrella and do not have this exposure.

Lastly, the report implies that the city needs to do this in order to gain further control over the city's EMS system and that this will improve patient care. We find these statements to be a little misleading in that it implies that the city is not in control of the EMS system today. This is completely false. The city of Costa Mesa has full control over the design, implementation, oversight, and operations of the city's EMS system. Taking over ambulance transports is not required to achieve this control.

It also implies that somehow the city is being underserved or is receiving substandard care today. We feel just the opposite. The residents of Costa Mesa receive the highest caliber paramedic and ambulance service delivered by the public/private partnership we provide today.

In closing, we ask you to vote NO on Plan 3 as this would not be in the best interest of the city and would actually be a detriment to patient care.

While the current model, Plan 1, is not perfect, going forward we are willing to work with the city and the Fire Chief in designing a new public/private partnership that would benefit the citizens of Costa Mesa and be financially sustainable for both partners, public and private.

I will be in attendance Tuesday and will be happy to answer any questions you may have.

Respectfully,



Troy Hagen; CEO  
Care Ambulance Service  
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Orange, CA 92868  
714-288-3800

[troyh@careambulance.net](mailto:troyh@careambulance.net)

**MEJIA, JESSICA**

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**Subject:** FW: CARE Ambulance Public Comment

**From:** CHALMERS, SYLVIA

**Sent:** Tuesday, January 19, 2016 1:43 PM

**To:** GREEN, BRENDA <brenda.green@costamesaca.gov>; MEJIA, JESSICA <JESSICA.MEJIA@costamesaca.gov>

**Cc:** SHELTON, KELLY <KELLY.SHELTON@costamesaca.gov>

**Subject:** CARE Ambulance Public Comment

Hi: SALLY DEBRUN, LIVES IN COSTA NEWPORT [REDACTED] CALLED TO TELL THE COUNCIL SHE IS AGAINST GOING WITH CARE AMBULANCE. SHE HAS HAD TERRIBLE SERVICE, AND THEY HAVE COST HER A FORTUNE.

THANK YOU,

Sylvia Chalmers

Executive Secretary

CEO's Office | City of Costa Mesa

(714) 754-5099 | Fax (714) 754-5330

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