



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 21, 2016

ITEM NUMBER: CC-5

SUBJECT: AMENDMENT TO EXTEND TERM OF CARE AMBULANCE SERVICES AGREEMENT

DATE: MAY 27, 2016

FROM: FIRE & RESCUE DEPARTMENT

PRESENTATION BY: DANIEL A. STEFANO, FIRE CHIEF

FOR FURTHER INFORMATION CONTACT: DANIEL A. STEFANO, (714) 754-5106

RECOMMENDED ACTION:

Approve the attached Amendment Number Five extending the term of the Ambulance Services Agreement with Care Ambulance Service, Inc., for the continuation of emergency ambulance and patient billing services until September 1, 2018.

BACKGROUND:

Pursuant to California Health & Safety Code Section 1797.201, because the City of Costa Mesa has provided and/or contracted for emergency ambulance services continuously at least since June 1, 1980, the City has retained all rights, remedies, and privileges regarding the provision, administration, and operational control of all prehospital Emergency Medical Services (EMS) within its jurisdiction, including, but not limited to, emergency ambulance response and patient transport services.

In accordance with its Section 1797.201 powers, on November 20, 2007, the City initiated a competitive process by issuing a "Request for Proposals," coordinated by the Fire Department, in which qualified ambulance companies were reviewed, analyzed, and compared. The Fire Department chose to use the competitive process format outlined in California Emergency Medical Services Authority Publication #141 due to its efficiency, rather than developing a new format.

On July 1, 2008, the City Council accepted the proposal submitted by Care Ambulance Service, Inc., and authorized the Fire Department to negotiate an agreement for the provision of emergency ambulance and patient billing services. The City and Care Ambulance Services entered into an agreement effective on September 1, 2008, at 7:30 a.m., for a period of two years. The City and Care Ambulance Services subsequently entered into Ambulance Services Agreement to extend the services for a term of three years, to September 1, 2013. The Ambulance Services Agreement allows for extensions of the term providing that the total length of time, including the initial two-year term beginning in 2008, is no more than ten years. The City Council previously approved Amendment

Numbers One through Four to the agreement, extending the agreement to June 30, 2016, at 7:30 a.m. Amendment Number Five would extend the agreement until September 1, 2018, at 7:30 a.m.

ANALYSIS:

From the commencement of the current agreement until the present time, Care Ambulance Service has met and fulfilled all contractual obligations and requirements. In fact, it is the opinion of the Fire & Rescue Department that Care Ambulance Service has met or exceeded expectations and has helped foster a partnership that has been instrumental in maintaining Costa Mesa's high-quality EMS system. Based on its performance over the past eight years, Care Ambulance Service has maintained a well-managed organization staffed by dedicated personnel who care about their mission and the patients they serve. Extending the agreement to September 1, 2018 will allow for emergency ambulance and patient billing services to continue through the completion of the consultant group's report containing an objective analysis on the City's future ground transportation options, and City Council's consideration of such options. Section 5.3 of the agreement allows the City to terminate the agreement at any time with written notice to Care Ambulance Service if it is later determined that services will not be needed for the entire time period of the extension.

ALTERNATIVES CONSIDERED:

At the January 19, 2016 City Council meeting, ambulance transportation options were presented for consideration and the City Council voted (3-2) to continue to utilize the services of a private ambulance provider. Because Care Ambulance Service has satisfied and/or exceeded the obligations, requirements, and expectations of the original Agreement, no further alternatives were considered. However, the Fire Chief has been given direction to continue to explore future alternative solutions, inclusive of public/private partnerships, and the intent is to move forward on some pilot program options during the term of this final agreement extension.

FISCAL REVIEW:

No additional fiscal review is necessary for this item. The City provides citizens emergency ambulance services via a private ambulance company business, which also handles all EMS billing services for the City. There is no direct cost to the City for selecting or using a private ambulance company to provide emergency ambulance and patient billing services.

LEGAL REVIEW:

The City Attorney's Office has reviewed the Ambulance Services Agreement and its amendments, and has reviewed and approved as to form Amendment Number Five. SB 331 does not apply to this amendment because it does not fall within the parameters of Public Contract Code section 22178(a).

CONCLUSION:

Based on the aforementioned reasons, the Fire and Rescue Department respectfully recommends that the City Council approve the attached Amendment Number Five so that Care Ambulance Service may continue emergency ambulance and patient billing services until September 1, 2018, at 07:30 a.m.

DANIEL A. STEFANO
Fire Chief

THOMAS R. HATCH
Chief Executive Officer

THOMAS P. DUARTE
City Attorney

STEPHEN DUNIVENT
Interim Finance Director

Attachments: [1\) Original Ambulance Services Agreement](#)
[2\) Amendment Numbers One through Four](#)
[3\) Amendment Number Five](#)