





TO: John McDonough, City Manager

FROM: Jack McElfish, Fire Chief

DATE: April 30, 2014, for Submission onto the Work Session Agenda of the May 6, 2014 City Council Meeting

ITEM: Rural Metro Contract Proposal

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***Recommendation:***

Staff recommends that Mayor and City Council approve a five (5) year Contract extension between the City of Sandy Springs and EMS Ventures, INC. d/b/a Rural/Metro Ambulance to provide 9-1-1 EMS service to the City of Sandy Springs effective July 1, 2014 through June 30, 2019. Attached to this request is the annual subsidy request with the current and proposed rates.

***Background:***

The Georgia Department of Human Resources has approved a Regional Ambulance Zoning Plan which designates Rural/Metro as the 9-1-1 EMS provider for Fulton County (does not include City of Atlanta). Rural/Metro has been our EMS provider since we became a city in 2005. Previously, Fulton County paid Rural/Metro a subsidy to provide EMS services in both south and north Fulton County. In late 2007, Fulton County Commissioners decided to stop providing this subsidy. In early 2008, all of the North Fulton cities met and worked out a contract with Rural/Metro. The City of Sandy Springs broke off from the other North Fulton cities and contracted for a higher level of EMS service. The City of Sandy Springs wanted dedicated Advanced (Paramedic level) ambulances assigned to our city. Our requirements were for three (3) full time 24 hour ambulances and two (2) ambulances in the city for 12 hours a day during peak time hours. The City also required an 8 minute response on all emergency calls and a 15 minute response on all non-emergency calls 90% of the time. The city agreed to an annual subsidy of \$450,000 which also gave our city the lowest ambulance transport rate in the Atlanta metro area. See attachment. Additional items included in the contract require that ambulances be replaced every 5 years, be equipped with vehicle locator systems, and ambulances would have City of Sandy Springs markings. Employees of Rural/Metro who are assigned to Sandy Springs would be assigned on same shift schedule to promote familiarity and teamwork among the crews. It should be noted that the other 4 North Fulton cities have 12 minute response time on emergency calls 90% of the time and 20 minute response time on non-emergency calls 90% of the time. Lastly, we have been extremely pleased with Rural/Metro thus far with regards to requirements in the contract and response time's criteria.

***Discussion:***

N/A



***Alternatives:***

N/A

***Financial Impact:***

50% rate increase for 73% subsidy decrease. Currently a \$450,000 annual subsidy that would decrease to a \$120,000 annual subsidy (\$37,500 month 1-6, \$32,917 month 7, \$28,334 month 8, \$23,751 month 9, \$19,168 month 10, \$14,585 month 11, \$10,000 month 12 and all subsequent months.

***Attachments:***

- I. Exhibits
  - Current & Proposed Rates

# Current & Proposed Rates: Option 1A

Revenue Subsidy - \$405,000

		Current Sandy Springs	Proposed Sandy Springs	Current North Fulton
520200	BLS Non	\$ 501.60	\$ 566.81	\$ 842.69
520201	BLS Emer	\$ 501.60	\$ 566.81	\$ 842.69
520100	ALS Non	\$ 762.00	\$ 861.06	\$ 1,280.16
520101	ALS Emer	\$ 762.00	\$ 861.06	\$ 1,280.16
520102	ALS 2	\$ 992.45	\$ 1,121.47	\$ 1,667.32
511030	ALS mileage	\$ 10.80	\$ 12.20	\$ 18.14
511230	BLS mileage	\$ 10.80	\$ 12.20	\$ 18.14
510500	Oxygen	\$ 70.80	\$ 80.00	\$ 118.94
565000	BTRNT	\$ 635.00	\$ 717.55	
05A0888	NC miles	\$ 10.80	\$ 12.20	

## Highlights:

- Five total ambulances with three 24 trucks and two peak ambulances. Five year age cap on ambulances.
- Subsidy at \$45K decreases from current levels in exchange for 13 % rate increase.
- 8 minute response on emergency and 15 minute on non-emergency calls 90% of the time .
- Dedicated 911.

# Current & Proposed Rates: Option 1B

Revenue Subsidy - \$425,000

		Current Sandy Springs	Proposed Sandy Springs	Current North Fulton
520200	BLS Non	\$ 501.60	\$ 536.71	\$ 842.69
520201	BLS Emer	\$ 501.60	\$ 536.71	\$ 842.69
520100	ALS Non	\$ 762.00	\$ 815.34	\$ 1,280.16
520101	ALS Emer	\$ 762.00	\$ 815.34	\$ 1,280.16
520102	ALS 2	\$ 992.45	\$ 1,061.92	\$ 1,667.32
511030	ALS mileage	\$ 10.80	\$ 11.56	\$ 18.14
511230	BLS mileage	\$ 10.80	\$ 11.56	\$ 18.14
510500	Oxygen	\$ 70.80	\$ 75.76	\$ 118.94
565000	BTRNT	\$ 635.00	\$ 679.45	
05A0888	NC miles	\$ 10.80	\$ 11.56	

## Highlights:

- Five total ambulances with three 24 trucks and two peak ambulances. Five year age cap on ambulances.
- Subsidy at \$25K decreases from current levels in exchange for 7% rate increase.
- 8 minute response on emergency and 15 minute on non-emergency calls 90% of the time .
- Dedicated 911.

# Current North Fulton Rates: Option 3

Revenue Subsidy - \$120,000

BLS Non	\$ 842.69
BLS Emer	\$ 842.69
ALS Non	\$1,280.16
ALS Emer	\$1,280.16
ALS 2	\$1,667.32
BLS Mileage	\$ 18.14
ALS Mileage	\$ 18.14
Oxygen	\$ 118.94

## Highlights:

- Subsidy decrease in exchange for 68% rate increase to North Fulton levels.
- Integrated 911/GT system.
- 8 minute response on emergency and 15 minute on non-emergency calls 90% of the time.
- \$10,000/ month subsidy.

# Current & Proposed Rates: Option 4

Revenue Subsidy - \$120,000

		Current Sandy Springs	Proposed Sandy Springs	Current North Fulton
520200	BLS Non	\$ 501.60	\$ 752.40	\$ 842.69
520201	BLS Emer	\$ 501.60	\$ 752.40	\$ 842.69
520100	ALS Non	\$ 762.00	\$ 1,143.00	\$ 1,280.16
520101	ALS Emer	\$ 762.00	\$ 1,143.00	\$ 1,280.16
520102	ALS 2	\$ 992.45	\$ 1,488.68	\$ 1,667.32
511030	ALS mileage	\$ 10.80	\$ 16.20	\$ 18.14
511230	BLS mileage	\$ 10.80	\$ 16.20	\$ 18.14
510500	Oxygen	\$ 70.80	\$ 106.20	\$ 118.94
565000	BTRNT	\$ 635.00	\$ 952.50	
05A0888	NC miles	\$ 10.80	\$ 16.20	

## Highlights:

- 50% rate increase for 73% subsidy decrease. Currently a \$450,000 annual subsidy that would decrease to a \$120,000 annual subsidy (\$37,500 mo 1-6, \$32,917 mo 7, \$28,334 mo 8, \$23,751 mo 9, \$19,168 mo 10, \$14,585, mo 11, \$10,000 mo 12 and all subsequent months.)
- Five dedicated 911 ambulances, three 24 hour ambulances and two peak ambulances, and a five year age cap on the ambulances.
- 8 minute response on emergency and 15 minute on non-emergency calls 90% of the time.
- Five year contract commitment. (Same as current contract with increased fee schedule and decreased subsidy).

# Current & Proposed Rates: Option 5

Revenue Subsidy - \$37,500 (months 1-6)

	Current Sandy Springs	Proposed Sandy Springs	Current North Fulton
ALS 2	\$ 992.00	\$ 1,537.60	\$ 1,667.32
ALS 1	\$ 762.00	\$ 1,181.10	\$ 1,280.16
BLS	\$ 501.00	\$ 776.55	\$ 842.69

## Highlights:

- Rates approximately 8.5% lower than North Cities. Currently a \$450,000 annual subsidy that would decrease to a \$274,200 in year one and \$98,400 in subsequent years.
- Five dedicated 911 ambulances, three 24 hour ambulances and two peak ambulances, and a five year age cap on the ambulances.
- 8 minute response on emergency and 15 minute on non-emergency calls 90% of the time.
- Five year contract commitment. (Same as current contract with increased fee schedule and decreased subsidy).

# Proposed Subsidy: Option 5

- Decreasing Subsidy
  - Months 1-6 at \$37,500/month
  - Month 7 - \$32,617
  - Month 8 - \$27,734
  - Month 9 - \$22,851
  - Month 10 - \$17,968
  - Month 11 - \$13,085
  - Month 12 - \$8,200

Transition time from a subsidy based to a user based model involves lag time in revenue flow due to the insurance recoupment process. Therefore, the declining subsidy payments are necessary to ease this transition.