



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE AND CITY COUNCIL

DATE: JULY 16, 2024

FROM: FIRE DEPARTMENT

WARDS: ALL

SUBJECT: PUBLIC HEARING – ORDINANCE FOR MEDICAL TRANSPORT FRANCHISE WITH AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC.

ISSUE:

Approve the ordinance for Medical Transport Ambulance Franchise for American Medical Response Ambulance Service, Inc. (AMR), to perform Advance Life Support (ALS) and Basic Life Support (BLS) services.

RECOMMENDATIONS:

That the City Council:

1. Conduct a Public Hearing to receive comments relative to the request by AMR to perform ALS and BLS transport services;
2. Introduce and subsequently adopt an ordinance granting a franchise to AMR to operate authorized ambulance vehicles in the City of Riverside for a period through November 8, 2027;
3. Approve the Operational Agreement with the City of Riverside and AMR; and
4. Authorize the City Manager or designee to execute the Operational Agreement, including minor and non-substantive changes.

LEGISLATIVE HISTORY:

Applications for a Medical Transport Ambulance Franchise (Ambulance Franchise) are in Chapter 5.66 of the Riverside Municipal Code (RMC), which identifies the rules, laws, and processes that the City Council has identified for ambulances to operate within the City, such as franchise/permit fees, application process, service requirements, mutual aid requirements, personnel, and rate. Section 5.66.050 requires that upon receipt of a Medical Transport Franchise application, the Administrator shall investigate to determine if the applicant meets all requirements of the governing RMC chapter.

The Fire Chief, or designee, is the controller of the Ambulance Franchise and is responsible for acting as the Ambulance Franchise Administrator. The Administrator is required to prepare and

issue a report to the Safety, Wellness, and Youth Committee to present a report, as well as testimony to obtain a recommendation to present to the City Council. Ultimately, the City Council will hold a public hearing and determine whether the applicant has demonstrated that they meet all municipal code requirements.

BACKGROUND:

The City of Riverside has used AMR as the primary ambulance transport provider for ALS and BLS transport service for twenty-five-plus years. The previous two Franchises and Operational agreements were executed with five-year terms from 2010 to 2018. In 2018, a new franchise ordinance and operational agreement were executed, with the term of service from 2018 to November 8, 2024.

While negotiations took place on a new agreement, another minor extension was granted to AMR to allow time for review of a new Franchise application and preparation of a new Operational Agreement. On June 25, 2024, the City Council approved the application for Medical Transport Franchise with AMR and a resolution of intent to grant the Franchise to AMR.

Within the terms of the agreement, it was agreed that AMR would provide the City with a base compensation, equipment, dispatch services and penalties for late ambulance responses, as outlined below.

DISCUSSION:

Franchise Applicant:

1. Term:

- The proposed Franchise Ordinance outlines an agreement running through November 8, 2027, with an option to extend the term for at least three (3) additional periods of time of no more than one (1) year each. Further key terms of the agreement are as follows.

2. Contract Financials:

- AMR shall pay the City a base amount of one hundred and sixty-five thousand, two hundred and twenty-four dollars, and eleven cents (\$165,224.11) per month for an ALS first responder fee, which totals one million, nine hundred and eighty-two thousand and six hundred and eighty-nine dollars and thirty-two cents (\$1,982,689.32). The fee shall increase by 3% annually.
- AMR will pay \$1,800.00 per month per Fire Station for the use of the City of Riverside's four Fire Stations.
- AMR will pay \$30,000 annually to reimburse the City of Riverside for equipment that supports the restocking of EMS supplies.
- AMR will pay one hundred and forty-four thousand, eight hundred and twenty-one dollars, and thirty-five cents (\$144,821.35) per year for a Dispatch Emergency Medical Dispatch Coordinator.

3. Ambulance Deployment:

- AMR will continue with "System Status" and will now station ambulances in the City of Riverside Fire Stations. Fire Station 1, Fire Station 3, Fire Station 5, and Fire Station 12 will now house ambulances. These units are not dedicated to the City of Riverside but should help provide a more consistent response from AMR with ambulances in the City of Riverside.
- First Watch Data Solutions feed response data from AMR to City of Riverside to monitor compliance.
- Safety Net Ambulances in the event AMR is delayed, the City of Riverside Fire Department will respond with Rescue Ambulances (RA), which will have replaced our current Squads.

STRATEGIC PLAN ALIGNMENT:

The item contributes to Strategic Priority No. 2 Community Well-Being and Goal No. 2.6 – Strengthen community preparedness for emergencies to ensure effective response and recovery.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This agreement with AMR will ensure the citizens, visitors, and employees of the City of Riverside are provided with emergency transportation service services when a medical emergency is presented.
2. **Equity** – By providing emergency transportation services for all citizens, visitors, and employees to the City of Riverside, we are ensuring that emergency services are accessible and equitable for everyone.
3. **Fiscal Responsibility** – The Riverside Fire Department, as a prudent steward of public funds, ensures that relationships between public and private partnerships are leveraged, demonstrating our commitment to responsible financial management.
4. **Innovation** – Riverside is inventive and timely in meeting the community's changing needs by updating the emergency service franchise agreement to ensure emergency service transportation is available when called.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to provide emergency services to the community.

FISCAL IMPACT:

The total fiscal impact of the contract with AMR is \$2,243,910.67 in revenue annually paid to the City by AMR plus additional penalties and other fees, which vary from month to month and are unknown at this time. All revenue collected from this contract will be deposited into the General Fund, Fire-Operations, Paramedics Program revenue account number 3510100-341250.

Prepared by: Steve McKinster, Deputy Fire Chief
Approved by: Michael D. Moore, Fire Chief

Certified as to

availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer

Approved by: Mike Futrell, City Manager

Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Attachment 1 – Franchise Ordinance
2. Attachment 2 - Agreement By and Between the City of Riverside and American Medical Response Ambulance Service, INC. For ALS First Responder and American Services.
3. Attachment 3 – Presentation