

ORDINANCE NO. 4308

TITLE: AN ORDINANCE GRANTING A NONEXCLUSIVE FRANCHISE FOR THE OPERATION OF AN AMBULANCE BUSINESS WITHIN THE CITY OF ALBANY UNDER THE PROVISIONS OF CHAPTER 5.16 OF THE ALBANY MUNICIPAL CODE AND DECLARING AN EMERGENCY.

THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

SECTION 1:

The City, hereinafter called the "Grantor," does grant to Medical Services, Inc., an Oregon corporation, hereinafter called the "Grantee," and to its successors and assigns, the rights, privilege, and all authority and franchise to operate in, over and upon the streets and alleys of the City of Albany an ambulance business as defined in Chapter 5.16 of the Albany Municipal Code.

SECTION 2: Compliance Required.

The operation of an ambulance business and an invalid or wheelchair coach business within the City of Albany shall be done in compliance with the requirements of Chapter 5.16 of the Albany Municipal Code.

SECTION 3: Privileges, Rights, and Termination.

The rights and privileges and the franchise herein granted is a nonexclusive franchise and shall terminate five (5) years from the effective date of this ordinance.

SECTION 4: Liability.

The Grantee shall indemnify and save the City free and harmless from any and all liability, loss, cost, damage, or expense from action or damage, either to itself or to persons or property of others which may occur by reason of the exercise of the rights and privileges herein granted; and shall, for the purpose of carrying out the provisions of this section, and prior to commencing the operation of an ambulance service of any kind, have in full force and effect, and file evidence thereof with the City Recorder, a good and sufficient policy or policies of insurance covering bodily injury with limits of TWO MILLION DOLLARS (\$2,000,000.00) for personal injury to each person and property damage with limits of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for each accident to be executed by an insurance company or companies authorized and qualified to do business in the State of Oregon and conditioned to indemnify and save harmless the City from and against any and all of the claims, actions, suits, liability loss, cost, expense or damage of any kind or description which may accrue to or be suffered by the City or by anyone by reason of the operation of the ambulance service or by reason of anything that has been done by the Grantee hereunder which may, in anywise, cause liability by reason thereof.

SECTION 5: Need-Necessity Cancellation.

The City shall have the right to cancel this franchise upon thirty (30) day notification by certified mail for nonperformance.

SECTION 6: Initial Rates.

The initial schedule of rates shall be filed by the Grantee with the City Recorder. Any increase in excess of the Consumer Price Index shall be subject to approval by the Albany City Council.

SECTION 7: Filing.

The Grantee shall, within ten (10) days after the effective date of this ordinance, file with the City Recorder written acceptance of the franchise granted herein and the terms imposed.

SECTION 8: Emergency Clause.

WHEREAS, the peace, health, and safety of the citizens of the City of Albany require that this ordinance shall become effective immediately upon its passage and approval by the Mayor, an emergency is hereby declared to exist and this ordinance shall become in full force and effect upon its passage by the Council and approval by the Mayor.

Passed by the Council: August 24, 1979

Approved by the Mayor: August 24, 1979

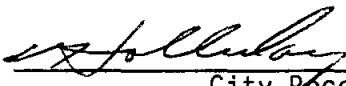
Effective Date: August 24, 1979



Mayor

ATTEST:

(Council President acting as Mayor)



City Recorder

Vito
R.S. Olsen
Aug 27, 1979
Richard S. Olsen

MEDICAL SERVICES, INC. PROPOSAL TO THE CITY OF ALBANY:

1. Provide two staffed paramedic units, 24 hours per day. (Four men on duty.)
2. Provide one staffed paramedic unit (two men) within ten to twenty minutes from time of call.
3. Up to seven staffed paramedic units within forty minutes will be provided, in case of major disaster.
4. Mobile Intensive Care Unit triage center on location within forty minutes to fifty minutes, from time of call, for major emergency.
5. Helicopter med-evac in area within thirty minutes from time of call.
6. Transfer ambulance service - a reduced ambulance rate for pre-scheduled transfers from nursing homes, hospitals, and doctors' offices.
7. Medical Services will establish a Mobilchair (wheelchair transportation service,) if the need arises.
8. MSI will establish a program of contract first aid for industry in the greater Albany area, within 90 days. This program aids businesses in meeting all requirements of O.A.R. 437-22-65 (Medical Services and First Aid, Oregon Law.)
9. MSI will initiate three-hour CPR classes and one-hour anti-choking classes for the public within thirty days of startup of ambulance service.
10. Will provide the city with a \$1,000 performance bond.
11. Will negotiate for the lease or purchase option of the three existing ambulances and all existing equipment that is not needed by the fire service.
12. Will furnish the city with a Certificate of Insurance, showing general liability and malpractice coverage in the amount of \$2,000,000.
13. Will initiate and conduct a first-dollar subscription drive for the general public, when allowed under Oregon legislation.
14. MSI can provide two staffed ambulances within 24 hours after agreement is reached. The total plan can be implemented within 90 days.
15. A copy of our current rates is enclosed. These rates are set by the common councils of Eugene and Springfield. We estimate the following, under these proposed rates, within the city limits of Albany:
 - a. Average transfer - \$75-\$100
 - b. Average emergency call - \$100-\$125
 - c. Average full paramedic service call - \$150-\$200

GUIDELINES:

1. Total cooperation between Medical Services, Inc. and all city agencies would be necessary.
2. Passage of the Model Ordinance, with a need-necessity clause, giving the city of Albany the right to cancel this agreement within a 30-day notification period, for non-performance, by registered mail. This agreement would be drawn to run consecutively for five years from starting date, with an automatic renewal, if performance is acceptable.
3. MSI has the right to raise their rates to coincide with the Consumer Price Index rate of inflation, per the U.S. Department of Labor Statistical Center, on June 1 each year.
4. If MSI requests a rate increase greater than the Consumer Price Index rate of inflation, it must be approved by the common council of the city of Albany.

SERVICE RATES - EFFECTIVE 10/1/78

BASE RATE-----	\$65.00
MILEAGE (PORTAL TO PORTAL)-----	3.00 PER MILE
SERVICE TIME (STANDBY OR WAITING)-----	60.00 PER HOUR
ACCOUNT SERVICE CHARGE-----	10.80
EMERGENCY SERVICE-----	16.20
NIGHT SERVICE (6 P.M. TO 8 A.M.)-----	16.20
REPLACEMENT OF EQUIPMENT-----	CURRENT RETAIL PRICES
EXTENSIVE CLEANING-----	21.60
COMBATIVE PATIENT-----	16.20
*ORTHOPEDIC CARE, SPINAL-----	32.40
LIMBS-----	16.20

*NOTE: WHEN BOTH SPINAL AND LIMB ORTHOPEDIC CARE ARE USED, ONLY THE HIGHER (SPINAL) CHARGE IS MADE.

ISOLATION (CONTAGIOUS DISEASE)-----	32.40
SUCTION-----	21.60
INTUBATION-----	27.00
PULMONARY RESUSCITATION-----	27.00

*CORONARY CARE:

(C.P.R., DEFIBRILLATION, SUCTION, INTUBATION, I.V. CARE, MONITORING)-----	81.20
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*CRITICAL CARE:

(PULMONARY RESUSCITATION, SUCTION, INTUBATION, I.V. CARE)-----	64.90
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*NOTE: WHEN THREE OR MORE PROCEDURES ARE USED IN EITHER CORONARY OR CRITICAL CARE, ONLY ONE CHARGE WILL BE MADE.

CARDIAC DEFIBRILLATION-----	64.90
CARDIAC MONITORING-----	27.00
CARDIOPULMONARY RESUSCITATION-----	54.10
INTRAVENOUS CARE-----	21.60
INCUBATOR-----	64.90
OBSTETRICAL CARE-----	64.90

S U P P L Y R A T E S

EFFECTIVE 10/1/78

OXYGEN, (MINIMUM CHARGE FOR FIRST 1/2 HR.)-----	\$12.50
OXYGEN, (EACH ADDITIONAL 1/2 HR. OR PART THEREOF)-----	10.00
OXYGEN ACCESSORIES, MASK-----	3.00 EACH
CANNULA-----	3.00 EACH
TUBING-----	2.00 EACH
COMPRESSED AIR (MINIMUM CHARGE FOR FIRST 1/2 HR.)-----	12.50
COMPRESSED AIR (EACH ADDITIONAL 1/2 HR. OR PART THEREOF)--	10.00
AIRWAYS-----	2.00
ENDOTRACHEAL TUBE-----	8.85
SUCTION CATHETER-----	3.00

I N T R A V E N O U S S U P P L I E S

IV NEEDLES-----	1.25
IV CATHETER-----	3.20
IV ADMINISTRATION SET-----	4.95
IV SOLUTIONS	
500 cc SODIUM CHLORIDE .9 %-----	6.45
500 cc 5% DEXTROSE IN WATER-----	6.70
500 cc LACTATED RINGERS-----	7.45

M E D I C A T I O N S

EPINEPHRINE 1:1,000-----	5.45 PER UNIT
EPINEPHRINE 1:10,000-----	5.25 PER UNIT
SODIUM BICARBONATE-----	8.60
ATROPINE-----	5.00 PER UNIT
LIDOCAINE-----	6.50 PER UNIT
INJECTABLE DEXTROSE-----	8.75 PER UNIT
EPI-MEDIHALER-----	7.00

MEDICATIONS (CONTINUED)

IPECAC SYRUP-----	2.00
LASIX (PER AMPULE)-----	2.80
NARCAN (PER AMPULE)-----	7.90
MEDERIDINE-----	11.75
MORPHINE-----	15.65

BANDAGE & DRESSING SUPPLIES

BANDAGES, TRIANGLE-----	2.50 EACH
KERLIX (4" STRETCH)-----	2.00 EACH
KLING (3" STRETCH)-----	1.25
ROLLER GAUZE (2")-----	2.05
ROLLER GAUZE (TUBE)-----	1.00
DRESSINGS, MULTI TRAUMA (30 x 10)-----	4.00
SURGERY PADS (8 x 7 1/2)-----	.50
GAUZE PADS (4 x 4)-----	.50
GAUZE PADS (VASELINE)-----	1.25

SPLINTING & IMMOBILIZATION SUPPLIES

CARDBOARD SPLINTS, ARM OR LEG-----	5.00
CERVICAL COLLAR-----	7.50

MISCELLANEOUS MEDICAL SUPPLIES

MINIMUM CHARGE FOR FIRST-AID SUPPLIES-----	4.50
BITE BLOCK-----	3.00 EACH
EYE SHIELDS-----	3.00 EACH
UNDERPADS-----	1.00 EACH
BURN PACKAGE-----	16.25
FOIL RESCUE BLANKET-----	3.90

MISCELLANEOUS MEDICAL SUPPLIES (CONTINUED)

ICE PACKS-----	4.50 EACH
INSTANT GLUCOSE-----	3.00 PER TUBE
O.B. KIT-----	17.00 EACH
POISON ANTIDOTE KIT-----	27.20 EACH
SNAKE BITE KIT-----	15.20 EACH
TOURNIQUETS-----	10.50 EACH
ELECTRODES-----	2.75 EACH
DEFIB PADS-----	8.40 PAIR
DEXTROSTIX-----	1.35
DISPOSABLE RAZOR-----	1.00
PLASTIC SHEET-----	1.45
6 cc SYRINGE 20g 1 1/2-----	.60
12 cc SYRINGE-----	1.00

MISCELLANEOUS SUPPLIES

FLARES-----	2.00
FIRE EXTINGUISHER-----	15.00
AUXILIARY POWER-----	35.00 PER HR.
RESTRAINTS-----	17.00
M.A.S.T. TROUSERS (ANTI-SHOCK AIR PANTS)-----	25.00

RESCUE SERVICE

BASIC RESCUE-----	20.00
LIGHT RESCUE-----	30.00
MEDIUM RESCUE-----	45.00
HEAVY RESCUE-----	65.00

MULTI-PATIENT RATES

EFFECTIVE 10/1/78

MAIN STRETCHER PATIENT SHALL BE CHARGED ONE FULL BASE RATE, TIME AND MILEAGE, PLUS ANY ADDITIONAL CHARGES FOR SERVICES OR SUPPLIES THEY REQUIRE.

NUMBER ONE AUXILIARY PATIENT SHALL BE CHARGED 75 PERCENT OF THE BASE RATE, TIME AND MILEAGE. FULL CHARGES WILL BE MADE FOR ANY SERVICES OR SUPPLIES REQUIRED.

ANY ADDITIONAL AUXILIARY STRETCHER PATIENTS SHALL BE CHARGED 50 PERCENT OF THE BASE RATE, TIME AND MILEAGE. FULL CHARGES WILL BE MADE FOR ANY SERVICES OR SUPPLIES REQUIRED.

SIT-UP PATIENTS SHALL BE CHARGED 50 PERCENT OF THE BASE RATE, TIME AND MILEAGE, PLUS FULL CHARGE FOR ANY SERVICES OR SUPPLIES REQUIRED.

THERE MUST BE ONE FULL BASE RATE, TIME AND MILEAGE CHARGE PER AMBULANCE TRIP.

MOBILCHAIR RATES - EFFECTIVE 10/1/78

NEW RATES

P/U WITHIN EUGENE OR SPRINGFIELD CITY LIMITS.....	\$ 6.00
RETURN TRIP, SAME PATIENT, SAME DAY.....	3.00
P/U RIVER RD, AREA, FROM RAILROAD BLVD. TO BEACON DR.....	12.00
RETURN TRIP, SAME PATIENT, SAME DAY.....	6.00
P/U CITY OF GOSHEN, L.C.C. AREA.....	12.00
RETURN TRIP, SAME PATIENT, SAME DAY.....	6.00
P/U COUNTY AREA, INCLUDING JUNCTION CITY, ELMIRA, VENETA AND PLEASANT HILL.....	17.00
RETURN TRIP, SAME PATIENT, SAME DAY.....	11.00

ALL AREAS BEYOND THOSE MENTIONED ABOVE, \$17.00 FOR PICKUP AND 80 CENTS PER PATIENT MILE. THE RETURN TRIP IS ALSO FIGURED AT \$17.00, PLUS 80 CENTS PER PATIENT MILE.

THE CHARGE WILL BE \$25.00 PER HOUR FOR EXCLUSIVE USE OF THE MOBIL-CHAIR WITHIN THE EUGENE-SPRINGFIELD CITY LIMITS. THIS WOULD PROVIDE DIRECT, NON-STOP SERVICE.

HOURLY RATE TO GROUPS FOR TOURS, ETC., \$25.00 PER HOUR.

SPECIAL RATE TO NURSING HOMES WITH FOUR WHEELCHAIR PATIENTS AND ONE AMBULATORY OR ATTENDANT, ALL BEING PICKED UP AND RETURNED TO THE SAME LOCATION, \$25.00 ROUND TRIP.

\$3 CHARGE FOR WHEELCHAIR LEFT WITH PATIENT.

TRANSFER AMBULANCE SERVICE RATES

EFFECTIVE 10/1/78

NEW RATE

BASE RATE.....\$65.00

NO BASE RATE WILL BE CHARGED FOR
SAME-DAY RETURN TRIP SERVICE.

MILEAGE (PICKUP TO DESTINATION ONLY)..... 3.00 PER MILE

SERVICE TIME..... N/C

SERVICE TIME MAY BE CHARGED IN LIEU OF
CANCELLING THE TRANSFER.

SUPPLIES..... N/C

NORMAL SUPPLIES FOR ROUTINE CARE
ARE INCLUDED.

PROCEDURE CHARGES..... N/C

ONLY ROUTINE CARE IS ALLOWED. IF
EMERGENCY CARE IS RENDERED, REGULAR
AMBULANCE RATES WILL BE CHARGED.

THESE RATES APPLY ONLY TO TRANSFERS TO OR FROM DESTINATION
WITHIN THE AMBULANCE AREA SERVED BY M.S.I.

OUT-OF-AREA TRANSFER SERVICE RATES

EFFECTIVE 10/1/78

NEW RATE

BASE RATE.....	\$65.00
MILEAGE (PORTAL TO PORTAL).....	1.50 PER MILE

REGULAR AMBULANCE RATES WILL BE CHARGED FOR SERVICE TIME,
SUPPLIES AND PROCEDURES.

NEONATAL TRANSPORT

EFFECTIVE 10/1/78

BASE RATE-----\$65.00
MILEAGE (PORTAL TO PORTAL)----- 1.50 PER MILE
NEONATAL SERVICE
 INSIDE 25 MILES----- 50.00
 OVER 25 MILES-----100.00

(RETURNS FROM SACRED HEART TO ORIGINATING HOSPITAL, SAME
FEE, MINUS NEONATAL SERVICE CHARGE.)

CHARGE FOR ALL OTHER SERVICES PERFORMED OR SUPPLIED

AIR AMBULANCE RATES

EFFECTIVE 10/1/78

CALL EUGENE AVIATION AND OBTAIN THEIR CHARTER RATES AND FLIGHT TIME FOR BOTH SINGLE AND TWIN ENGINED AIRCRAFT.

COMPUTE TECHNICIAN CHARGES FROM THE TIME THEY REPORT TO THE TIME THEY ARE RELEASED FROM DUTY. THEIR RATE IS \$20 PER HOUR. FIGURE PER DIEM EXPENSES, IF THEY ARE GONE OVERNIGHT, AT \$45 PER DAY.

CHARGE \$45 FOR THE STRETCHER AND BASIC EQUIPMENT.

CHARGE EXTRA FOR ADDITIONAL EQUIPMENT, SUPPLIES, AND SERVICES.

CHARGE \$150 FOR AMBULANCE TRANSPORTATION TO OR FROM THE AIRPORT IN EUGENE.

THERE WILL BE ADDITIONAL CHARGES IF THE PLANE IS GROUNDED DUE TO WEATHER CONDITIONS. MAKE SURE TO EXPLAIN THIS TO THE PARTY CALLING.

AFTER ALL CHARGES ABOVE ARE FIGURED, ADD 20% TO THE TOTAL, AND ROUND OFF TO THE NEXT HIGHEST DOLLAR AMOUNT FOR THE COMPLETE CHARGE.

EXAMPLE:	PLANE & PILOT	_____
	TECHNICIAN	_____
	PER DIEM	_____
	BASIC EQUIPMENT	_____
	ADDITIONAL EQUIPMENT	_____
	AMBULANCE TRANSPORTATION	_____
	MISC. CHARGES	_____
	SUB TOTAL	_____
	+ 20%	_____
	TOTAL	_____

AIR MEDICAL SERVICES RATES

EFFECTIVE 10/1/78

HELICOPTER SERVICE

FLIGHT TIME.....\$450 PER HOUR
SERVICE TIME..... 60 PER HOUR

STANDARD CHARGES WILL BE MADE
FOR ALL PATIENT CARE, PROCEDURES
AND SUPPLIES.

ACCOUNT SERVICE CHARGE.....10.80

MINIMUM CHARGE IS \$450 FOR FLIGHTS LESS THAN 60 MINUTES.
FIGURE ADDITIONAL TIME AT \$7.50 PER MINUTE OF FLIGHT TIME
AND \$1 PER MINUTE FOR STANDBY TIME.

WHEN GROUND AMBULANCE IS DISPATCHED IN SUPPORT OF OR FOR
BACKUP TO THE HELICOPTER, REGULAR AMBULANCE RATES WILL BE
CHARGED BY THE GROUND AMBULANCE, PLUS REGULAR AIR MEDICAL
RATES FOR THE HELICOPTER.

SERVICE AND FLIGHT TIME IS FROM THE TIME OF REQUEST FOR
HELICOPTER SERVICE UNTIL ITS RETURN TO HENDERSON AVIATION.

STANDBY RATES
EFFECTIVE 10/1/78

AMBULANCE STANDBYS WILL BE COMPUTED AT A RATE OF \$40 PER HOUR AND \$20 PER HALF HOUR.

THIRTY MINUTES OR LONGER WILL BE CONSIDERED AN HOUR. ANYTHING LESS THAN THIRTY MINUTES WILL BE CONSIDERED HALF AN HOUR.

STANDBY TIME WILL BE COMPUTED FROM THE TIME THE AMBULANCE IS DISPATCHED UNTIL THE TIME THE AMBULANCE RETURNS TO QUARTERS.

MILEAGE WILL BE CHARGED, IN ADDITION TO STANDBY TIME, FOR OUT-OF-THE-AREA STANDBYS. MILEAGE WILL NOT BE CHARGED FOR LOCAL STANDBYS.

AID-CAR STANDBY
EFFECTIVE 10/1/78

THE FEE FOR AN AID-CAR WITH ONE-MAN CREW WILL BE \$20 PER HOUR.

IN ADDITION TO THE HOURLY CHARGE, THE ORGANIZATION THAT ARRANGED THE STANDBY WILL ALSO PAY FOR ANY SUPPLIES USED.

IF AN AMBULANCE IS NECESSARY, THE CHARGE FOR AN AMBULANCE WILL BE MADE, AS USUAL, TO THE PATIENT.

STANDARD OPERATING PROCEDURE

SUBJECT: NO-PATIENT CALLS & AID-CALL POLICY

The following is the procedure for future "no-patient" calls:

1. Separate "no patients" into two categories:
 - a. "No patients," where no patient care is rendered.
 - b. "Aid calls," where a thorough exam of the patient is done, along with use of equipment and supplies.
2. No charge for "no-patient" call, regardless of circumstances. (12-49's are not considered "no patients.")
3. Charge for "aid calls" at a 50% B.T. & M., plus full charge per service and supply rates schedule.
4. The patient will be asked if he desires aid before giving service. If aid is desired, a full set of vitals will be taken and recorded, along with other appropriate procedures on each patient. If, after checking the patient, you advise transport by ambulance and they refuse, have him sign the refusal form. If the patient refuses to be checked at all, have him sign the refusal form. In either circumstance, if they refuse to sign, write "refused" under signature; and have someone not connected with our company witness it.
5. When the crew determines that the service will be an "aid call," they will report it to the dispatcher. At this time, the dispatcher will tell the crew, (if they have responded to a business,) if it is covered under CFA. When there is CFA coverage, there is no charge, so make up a CFA ticket only. On all other calls, make up a full patient information sheet; and indicate "aid call" under "service to" column. Dispatchers will punch Classification 9, formerly assigned to Mobilchair, on all "aid calls," other than CFA clients. (Punch these Classification 10, CFA.)
6. If the patient or a relative wants to know why information is being taken on the "aid call," explain that "our office" will be sending a statement for services rendered. Per normal operations, there should be no discussion of money or billing.
7. 12-49's from accidental causes, i.e., auto, industrial, home accidents, recreational, will be billed as full patient charges. (If patients are transported from the accident scene, there will be no 12-49 charges.)
8. In cases of cardiac arrest, if care other than CPR is initiated, i.e., IV drugs, defibrillation, and patient is pronounced 12-49 and not transported, full charges will be made.

9. Ambulance calls to a residence where the patient is deceased and no service is rendered, other than to clear it with the proper authorities, will be charged the aid-call rate.
10. The "aid-call" discount will not apply to calls where a service is rendered in an attempt to revive the patient.

August 27, 1979

Mr. Gary Holiday
Recorder for the City of Albany
City Hall
Albany, Oregon

As mayor, I hereby veto Ordinance 4308 adopted by the Albany City Council August 24, 1979 for the following reasons.

Removal of the ambulance from the fire department has been proposed as a way to cut city costs. I believe that in the long run, the user (the taxpayer) will pay more for private ambulance service than for service provided by the Albany Fire Department. I also believe that the pressure of public opinion will result in fire department response to ambulance calls to assist the private company. This is common practice in communities served by private ambulance. There will be no reimbursement to the general fund for these responses if a private company is franchised.

If we had no ambulance service in the city at this point, private enterprise might well be the best alternative. However, we presently own excellent ambulance equipment, we have personnel trained to do the work and who are proud of their unit. I believe it will be not only counterproductive, but damaging to the efficiency and morale of this dedicated group of men to transfer the ambulance service to a private company.

We are now at a crossroads in terms of our relationship with our rural fire districts. They have been able to pass recent tax levies on the basis of expert and efficient ambulance service from the Albany Fire Department. Irrevocable removal of the ambulance from the fire department for the next five years will seriously hamper negotiations with the rural districts. I believe we should retain the ambulance service and keep our options open.

A democratic system implies that the public should receive primary consideration when decisions affecting them are made. Considerable public testimony and private communication leads me to believe that a virtually unanimous majority wants the ambulance service retained in the fire department. I believe that the council would take a major step in establishing the rapport with the public we so badly need if the

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CITY OF ALBANY

AUG 27 1979

decision to franchise the ambulance were reversed. Good rapport and credibility will be vital to passage of future budget measures.

As Mayor I urge the council to give serious and thoughtful consideration to the above propositions. Perhaps it is time that we seek to re-establish the credibility and rapport with the public that are so vital to amiable and efficient city government.

Richard S. Olsen

Richard S. Olsen
Mayor of Albany

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CITY OF ALBANY

AUG 27 1979

To: Members of the Council

From: Richard Olsen, Mayor

Date: August 30, 1979

Subject: Alternatives to franchising ambulance operations to a private contractor

Although it is not the mayor's prerogative to formally suggest means and methods of operating the various city functions, I find myself challenged both directly and indirectly to do so. I will attempt to show that ambulance service can be retained in the Albany Fire Department until such time as a proposition can be put directly to the people of Albany as to whether they will or will not support fire and ambulance services in our city.

The fire department has suffered reductions of around \$200,000 in order to balance the budget after repeated failure of levy elections. I have reservations about the size of these cuts but will not dwell on them since it was a general consensus that the philosophy behind those reductions was correct. Despite these massive cuts, I feel that the ambulance can and should be retained in the fire department.

The present \$920,000 fire budget supports three, 9 man shifts. This is barely adequate for fire suppression. An additional 2 men on each shift would be required to provide the minimum manpower needed for adequate combined fire and ambulance service. Manpower, equipment, supplies and clerical help to support these added help should cost.

Manpower ^{1/}	\$18,000 x 6 =	\$108,000
Equipment and supplies ^{2/}		54,000
Billing, etc. ^{3/}		<u>10,000</u>
		\$172,000

Indirect costs, council, and city manager have not been included since they will not be reduced by removal of the ambulance from the fire department. It would appear that revenues and off-sets of \$170,000 are required to operate the ambulance as proposed above.

Ambulance fees were increased in January 1979. Average monthly income in the following months should indicate the present rate of ambulance income. For the five months of February through June actual ambulance income averaged \$13,463/mo.^{4/} On an annual basis, this amounts to \$162,000.

- 1/ See attachments A-1, 2 and 3.
- 2/ Managers memo Aug. 14, 1979, p. 5.
- 3/ " " " , p. 7.
- 4/ See attachment A-4.

I feel that the balance in revenues could be made up by various economies within the fire department. The billing and receiving could be done by fire department personnel at a savings of \$10,000.^{5/} Overtime and call-back could be cut by stricter scheduling of ambulance transfer calls and the use of volunteers and sleepers. I feel a savings of \$10,000 in overtime costs is a conservative estimate. The fire department should be required to do its own routine maintenance and light repair in order to save half of its \$40,000 vehicle maintenance bill. The street department should pay half of the \$50,000 fire hydrant bill presently paid in total by the fire department. These savings summarize to

Ambulance billing	\$10,000
Use of volunteers and sleepers	10,000
Vehicle maintenance	20,000
Fire hydrant rental	<u>25,000</u>
	\$65,000

It has also been suggested that an ambulance subscription drive could be set up and promoted by one of our service minded clubs. This mutual insurance approach has been used successfully by private operators and might well bring in 20 to \$30,000. A business licence could be implemented and used for fire and police. The fire department might gain 5 to \$10,000 from this source. The above incomes and off-sets amount to around \$250,000. It would seem that this should be adequate to cover costs of ambulance operations estimated at \$170,000.

In summary I would say that it is possible to provide adequate although Spartan ambulance service with our present resources if the will to do so exists. I must also stress again that this situation should be regarded as temporary until the people of Albany can be asked to express themselves by voting on a special levy for the support of ambulance and fire service. Again, I believe that retention of the ambulance within the fire service is vital to maintaining the good faith of the people of Albany and also that of the residents of the rural fire districts. I urge you to uphold my veto of Ordinance 4308.

^{5/} Managers memo Aug. 14, 1979, p. 7.

Richard S. Olsen

Richard S. Olsen

Jan 79 *-1

FIVE POSSIBLE AMBULANCE ALTERNATIVES

<u>Alternatives:</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Profit / (Loss)</u>
A. Keep Ambulance Within City At Current Staff Level	112,000	110,000	2,000
B. Keep Ambulance Within City Adding Three EMT's Lost From CETA Cutback	112,000	127,423	(15,423)
C. Keep Ambulance Within City Adding Desired Personnel - <u>Nine</u> Firefighters/EMT's	112,000	170,394	(58,394)
D. Keep Ambulance Within City Increasing Rates	168,000 Depends Upon The Desired Manpower Level	170,394	(2,390)
E. Immediately Transfer Operation of Ambulances to Private Firm Plus: Lease of Equipment	83,624) 8,500)	48,676	43,448

For 50% increase in fees $(112)(1.50) = \$168,000$ /year

$$\frac{170,394 - 127,423}{6} = 7,200/\text{man}$$

$$\frac{127,423 - 110,000}{3} = 5,800/\text{man}$$

A-2

List of Personnel Cuts

	<u>Full Time</u>	<u>Part Time</u>	<u>CETA</u>
Finance:			
(1) Clerk III	\$ 13,926		\$ 10,608
Police			
(1) Police Service Aide	12,578		
(1) Police Agent	22,000		
(4) Patrolmen	82,728		
Fire Department			
(8) Firefighters	159,560		31,824
Engineering			
(1) Civil Engineer III	27,096		
(2) Engineer Tech. II	35,359		
(1) Engineer Tech. I	17,388		
Building Maintenance			
(1) Custodian	15,023		
Building Inspection			
(1) Building Inspector	20,900		
Library			
(2) Library Assistant	24,744	\$ 10,758	
<i>23 people</i>	<u>\$431,302</u>	<u>\$ 10,758</u>	<u>\$ 42,432</u>

$$\frac{159,560}{8} = 19,945$$

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200

TOTAL REQUEST FOR FIRST LEVY ON MAY 8, 1979	\$1,578,610
Less 13% for first-year uncollected taxes	<u>(181,610)-</u>
	\$1,397,000

INCREASES TO GENERAL FUND REVENUES

From State Revenue Sharing -- \$135,000	
From Federal Revenue Sharing -- \$284,000	-\$ (419,000)-

DECREASES IN GENERAL FUND EXPENDITURES

Equipment Replacement -- \$54,600	
Capital Expense -- 25,487	
Contingency	
Parking Lot Debt -- 6,727	
Airport Transfer -- 2,000	
Finance Department	
Personnel -- 12,926	
Capital Expense -- 3,490	
	<u>(98,250)-</u>
	\$ 879,750

6
129,000

PLUS 13% FOR FIRST-YEAR UNCOLLECTED TAXES	\$ 113,869+
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 **
 * TOTAL LEVY REQUEST JUNE 26 \$ 993,619 *
 **

THE JUNE 26 LEVY REQUEST WILL DO THE FOLLOWING:

- | | |
|---|---------------|
| 1. Maintain present number of employees | \$3,026,289 |
| 2. Keep the bus system | 49,000 |
| 3. Retain 3 firefighters for one year to continue the operation of the ambulance service | <u>60,000</u> |
| 4. Reduce street overlays to | 40,000 |
| 5. Eliminate maintenance shop/office expansion | 270,000 |
| 6. Eliminate intersection improvements, traffic signals, and signs as recommended in the recent "Roadway and Traffic Safety Report" | 149,000 |

The 1980 tax rate estimate is \$2.40/\$1,000 of assessed valuation; the June 26 levy request will increase the tax rate by \$1.98/\$1,000 or a new total rate of \$4.38/\$1,000.

$$\frac{60,000}{3} = \$20,000/\text{man}$$

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Variable Costs (cont.)

Equipment operation
(gas, oil etc)

16500

~~total variable cost~~
total fixed + variable costs

\$ 50,935

Indirect Costs:

includes utilities, space rental
administrative, building maintenance
(billing, collections)

\$ 74,947

@ 21% per approved
indirect cost allocation plan

plus auditing
liability insurance
fire insurance

Capital Equipment
estimated cost projected for
prior year

12000

Total cost to operate
Ambulance for 79-80

\$ 443,840

Ambulance Collections

\$ 132,075

June	14057
May	11908
April	12850
March	14972
Feb	13728
Jan	10222
Dec	10519
Nov.	9000
Oct	10744
Sept	10601
August	7137

577,557

12,922.83
monthly
\$155,073.96
TOTAL

For last 5 mo
\$13,463/mo
\$162,000/yr.