

July 13, 2015

PUBLIC SAFETY/JUSTICE FACILITY COMMITTEE REPORT

A Public Safety/Justice Facility Committee meeting was held on Monday, July 13, 2015 at 6:00 p.m. in the Quorum Court Room, County Administration Building, Third Floor, 215 East Central Avenue, Bentonville, Arkansas

Committee Members Present: Jones, Moehring, Anglin, Adams, Allen, Leadabrand, Shadlow

Others Present: JP's Meyers, Slinkard, Harrison, and Moore, County Judge Bob Clinard, Director of Fire Services Marc Trollinger

Media: Tom Sissom

JP Jones called the meeting to order at 6:00 p.m.

Public Comments:

None

EMS – BENTON COUNTY SOUTHEAST AREA

JP Jones explained that the City of Springdale has notified both Benton and Washington Counties that as of January 1, 2016, they will no longer provide ambulance service outside of their corporate city limits. He said that the City of Bentonville has agreed to cover a small area near Cave Springs, but no solution has been found for a large area near Hickory Creek, which is being referred to as the southeast quadrant.

County Judge Bob Clinard stated that he has spoken with Springdale Mayor Doug Sprouse, and he has assured Judge Clinard that if significant progress is being made toward implementing a solution for the area, the City of Springdale would not cut service off to the area on January 1. He said they had expected the City of Rogers to submit a proposal, but he learned just today that they have decided it is not in the best interest of the City of Rogers to pick up this area.

Director of Fire Services Marc Trollinger listed the five options for providing ambulance service for the affected area:

- 1) Benton County service for the entire county
- 2) Benton County service for the southeast quadrant only
- 3) Mercy Ambulance Service for the entire county
- 4) Mercy Ambulance Service for the southeast quadrant only
- 5) Coverage provided by the City of Lowell for the southeast quadrant only

A spreadsheet showing the breakdown of the costs of each option every year for the next five years was presented, showing the total cost for the 5-year period, the expected revenue, the total 5-year cost above revenue, and the yearly average cost above revenue. Each option was discussed at length.

1) Benton County service for the entire county

Marc Trollinger stated that the most expensive option is the countywide service with a county-owned system, with a total cost of \$14.2 million, less revenue of \$8 million, and a yearly average cost at the end of five years of \$1.2 million above expected revenue. He said they would put five ambulances into service, with a sixth serving as a backup, which would be housed in two stations leased from existing volunteer fire departments, and three new stations would be built. He said they would need to hire 18 paramedics, 15 paramedic/EMT's, a staff assistant, an operations manager, and possibly an assistant fire marshal, so the biggest cost will be salaries.

JP Sandlin suggested that the citizens in the affected southeast area might want to establish an EMS service district by vote.

Expected call volume in the area was discussed. Marc Trollinger stated that they are estimating approximately 289 runs per year based on call data.

2) Benton County service for the southeast quadrant only

Marc Trollinger stated that one ambulance would be put into service, with one ambulance serving as backup, and the service would operate out of one leased station, and they would hire three EMT's, four paramedic/EMT's, and an assistant fire marshal. He said the total cost over five years would be \$9.3 million, less revenue of \$5.1 million, and a yearly average cost of \$852,000 above expected revenue.

Marc Trollinger noted that the spreadsheet will not show revenue from the EMS millage, since only one area is being served, that millage revenue will still have to be used to pay for service in the other unincorporated areas of the county, and there is no way to split it out.

JP Moehring questioned the disparity between the estimated average cost per run for the county system compared to the numbers provided by the City of Springdale for the same area. Marc Trollinger explained that Springdale's costs per run were estimated using an established service with buildings and ambulances already paid for; starting a service from scratch is much more expensive.

3) Mercy Ambulance Service for the entire county

Marc Trollinger stated that this option calls for the county to purchase the same capital equipment and buildings as the county option (five ambulances, a sixth kept for reserve, two leased buildings and three new facilities), but Mercy would provide and manage all personnel, and keep any collections. He noted that the full millage income would be available for this option. He said the total cost over five years \$13.2 million, less expected revenue of \$4.7 million, and a yearly average cost of \$1.7 million above expected revenue.

JP K. Harrison said that basically this is using county equipment, but contracting out the labor. He asked if it would be possible to run this model with four ambulances instead of five, and engage in mutual aid agreements with surrounding entities to make up the difference.

Marc Trollinger stated that they do have mutual aid agreements in place, but there is nothing anywhere that defines how many calls constitute mutual aid, and what the threshold would be for paying the providers for calls.

JP Moehring asked if this is a model that has been used elsewhere.

Bob Patterson, Executive Director of Mercy Health Systems, said that they have used this type of partnership in a four state area including Arkansas, Oklahoma, Missouri, and Kansas. He explained that if the government entity retains ownership of the capital, and the relationship

should change in the future, then everything is in place for someone else to come in and take over the operations.

Possible locations for the stations were discussed. Marc Trollinger stated that they use GIS data to forecast where the greatest concentration of calls will occur.

4) Mercy Ambulance Service for the southeast quadrant only

Marc Trollinger stated that Mercy is also proposing to provide service for only the area formerly serviced by the City of Springdale, at a total five-year cost of a little under \$10.6 million, less expected revenue of \$4.7 million, for a yearly average cost of \$1.1 million above expected revenue. He said that this option would put one ambulance in service, and it would be housed at a leased station at the Hickory Creek VFD.

JP Allen asked what the City of Bethel Heights is going to do. Marc Trollinger stated that the City of Lowell has agreed to a contract with Bethel Heights, and Lowell Fire Chief Mike Morris added that the cost would be substantially more than what the county is now paying Springdale to provide the service.

JP Adams spoke against entering a partnership with anyone else, because they do not know what the future may bring in terms of costs and revenue. He said if the county operated its own system, they would have the ability to cut costs if they needed to.

JP Allen asked how the insurance collections would be handled in a county-operated system. Comptroller Brenda Guenther stated that they would be billed by an outside entity which would charge 6% of the collections, which was well below what it would cost to install software and staff for the county to handle it.

JP Leadabrand asked if this committee would be sending one recommendation to Finance, or forwarding all five. JP Jones stated that this committee only needed to decide if all of the options provide the same coverage, or if one of them provides better coverage, and recommend that option. JP Allen stated that quality of service is a big part of the discussion, and he feels confident that either Mercy or the Lowell Fire Department can provide that simply because they have experience in the field.

5) Coverage provided by the City of Lowell for the southeast quadrant only

Marc Trollinger stated that the City of Lowell was asked by the county to submit a proposal to provide service for the southeast area only. He said the city would partner to add one ambulance, build a station to house it, split the cost of utilities, insurance, maintenance, manpower, and uniforms, and also agree to replace the ambulance after 10 years. He said the total cost for the first year would be \$1.4 million, after five years it would be \$9.1 million, less expected revenue of \$4.4 million, for a yearly average cost of \$883,000 above expected revenue. He said this option would also receive no funding from the EMS millage.

JP Harrison stated that with the other options, the county at least owned the assets; with this option we do not, and \$800,000 is a lot of money for construction when there is already a station at Hickory Creek VFD that can be leased.

JP Moore asked where the additional station would be located. Chief Morris stated that it would be located off of Bald Eagle Road west of Lowell, which is out Hwy 264 West then north on Bellevue, approximately 1.1 miles from I-49. Marc Trollinger stated that they would run out of the current station until the new one is built. JP Moore stated that that is a long way from Hickory Creek. Marc Trollinger stated that it is about 5 miles from the outer border of the

Hickory Creek area, but that is not the only area that needs service; there is also an unincorporated area around Lowell that needs service.

JP Adams spoke in favor of Benton County starting its own service, because the other options do not provide any revenue to offset the costs.

County Judge Bob Clinard stated that he does not like these numbers any more than the committee members, but they have been working on them for months, and this is the best that they've been able to estimate. He noted that he is respectfully disappointed in the City of Rogers for not even submitting a proposal. He said that either of the options for service in the southeast quadrant only can be in place by January 1, 2016, so from the physical standpoint, there is no panic to get the southeast covered.

He said a consolidated service would be more cost effective, but they are not going to convince the current 8 providers to do that, and the problem with negotiating with them is that the county does not have anything that they want; we're asking them to make fewer runs with the same equipment and personnel costs. He added that the situation in the Hickory Creek area could come up again in other areas of the county. He also stated that the Lowell option is not based on historical information, because they do not currently run an ambulance, they have an Advanced Life Support fire engine. He said that if they want to guarantee service on January 1 to the Hickory Creek area, then the Mercy or county options for the southeast quadrant are the only two options, and either of those would transition easily into a county wide option, and both require the initial purchase of two ambulances.

JP Allen stated that the problem is that there is such a low number of runs, and perhaps we should ask the people who live there what they want—maybe they would like to form their own service district.

JP Moehring stated that Rogers added a station, ambulance, and crew for \$317,000, which is less than \$450 per call. He said that seems like a great solution looking back, and said that he questions the wisdom of opening back up this idea of a county wide ambulance service, and we need to dig harder to find another solution. He added that he does not want to start a county wide service, because he does not think we would provide the level of service that we are getting now.

JP Jones stated that he still has a question of whether any of the five options provide better service than there is now.

Marc Trollinger stated that currently there are 22 ambulances in service that cover the entire county and they are talking about replacing them with five dedicated to the unincorporated area only, which they felt would provide adequate coverage.

County Judge Bob Clinard stated that a station in Hickory Creek would best serve that area, and that is the best solution for the southeast quadrant.

JP Jones said he would prefer that this committee forward one option to the Finance Committee.

Discussion was held regarding possibly issuing a second Request for Qualifications because two other services, APT from Oklahoma, and Samaritan, a non-emergency transport company from Rogers, have contacted the court expressing their desire to be considered. Several JPs objected on ethical grounds, since Mercy had already disclosed its proposal.

JP Jones announced a 5-minute recess.

JP Allen stated that they have made a little progress tonight, but he cannot support any of the options as presented.

JP Leadabrand made motion to forward the county option for the southeast quadrant to the Finance Committee, because it is the least costly and the county maintains control of the assets, seconded by JP Anglin.

JP Adams spoke in support of the county option.

JP K. Harrison spoke against the county option, stating that Mercy is more able to provide immediate staffing.

JP Meyers asked if it would be possible to get a service in place by January 1. Marc Trollinger stated that it would be difficult, but that the City of Springdale has indicated that they will extend the deadline if there is clear progress being made toward providing other service.

JP Moehring stated that he does not think they have landed on the right solution tonight.

County Judge Bob Clinard gave an explanation of what is involved in issuing and responding to a Request for Qualifications. He said once they are received, they are to select the most qualified, and money or cost cannot be one of the factors; money is negotiated after the provider is selected. He said that they can be rejected if a satisfactory agreement cannot be reached, and then they would go to the second choice, so there is no reason to remove Mercy from the equation at this point.

JP Allen called for the vote.

Votes for: Leadabrand, Adams

Votes against: Allen, Moehring, Shadlow, Anglin

Abstained: Jones

Motion to forward the county option for the southeast quadrant to the Finance Committee failed.

JP Meyers stated that he would want an experienced contract attorney to give them an opinion on issuing another RFQ before taking that step.

JP Anglin made motion to forward the Mercy option for the southeast quadrant to the Finance Committee, seconded by JP Leadabrand.

JP Allen stated that he is more inclined to support this option, even though money is still an issue. He said that the Finance Committee will review the costs, and he is not sure if he will support it at that time.

JP K. Harrison stated that the county will still own the assets, and if it does not work out, then it will allow us time to get staff in place.

Votes for: Anglin, Allen, Leadabrand

Votes against: Adams, Shadlow, Moehring

Abstained: Jones

Motion to forward the Mercy option for the southeast quadrant to the Finance Committee failed.

Lowell Fire Chief Mike Morris was recognized, and he urged the committee to not only consider the cost of equipment and personnel, but to be aware that there are licensing requirements and drug permits which could take several months to obtain, and it may be difficult to find personnel. He said he has been looking for paramedics for three and a half months and has not had one application.

JP Allen questioned what this committee wants to do, since both options failed.

JP Adams stated that he would prefer a county-operated service, but would support the Mercy option with a one-year contract.

JP Moore asked if all of Mercy's licensing is in place. Bob Patterson stated that they are licensed providers in the state of Arkansas. He added that in regards to the contract, the one that they currently have with Camden County, Missouri is a six-year contract, but it is reviewed annually, and Mercy is open to short-term or long-term, and definitely does not want the county to feel like it is stuck with something it does not want.

JP Allen made motion to forward the Mercy option for the southeast quadrant to the Finance Committee, seconded by JP Anglin.

Votes for: Leadabrand, Anglin, Adams, Allen

Votes against: Moehring, Shadlow

Abstained: Jones

Motion to forward motion to forward the Mercy option for the southeast quadrant to the Finance Committee passed.

County Judge Bob Clinard stated that they would begin the licensing process so that it can be in place when they are ready to start the service. Bob Patterson stated that it would be best if the county held its own license, and the contractor would work under that license.

Brett Selvidge of Samaritan Ambulance Service stated that if they are given the opportunity they would like to bid on future needs of the county.

Wesley Vanderhall urged the committee to provide ambulance service, and spoke against any more taxes.

JP Jones stated that the service will be provided.

JP Allen announced that the Finance Committee will meet August 6, 2015 at 6:00 p.m.

JP K. Harrison announced that the Legislative Committee will meet July 21, 2015 at 6:00 p.m.

JP Moore announced that the Committee of the Whole will meet July 14, 2015 at 6:00 p.m.

JP Jones reminded the committee that the Annual Conservation Dinner will be held on July 14, 2015 at 5:00 p.m., prior to the Committee of the Whole meeting.

After motion and second, meeting adjourned at 9:07 p.m.