

Meeting Minutes

City Council Work Session

August 15, 2024 | 4:00 p.m.
Council Chambers Conference Room
88 E. Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Mayor Kevin Hartke at 4:01 p.m.

Roll Call

Council Attendance

Mayor Kevin Hartke
Councilmember Angel Encinas
*Councilmember Christine Ellis
Councilmember Mark Stewart
Councilmember Matt Orlando
Councilmember Jane Poston

Appointee Attendance

Joshua Wright, City Manager
Kelly Schwab, City Attorney
Dana DeLong, City Clerk

*Councilmember Christine Ellis attended telephonically.

Absent

Vice Mayor OD Harris - excused

Staff in Attendance

Andy Bass, Deputy City Manager
Alexis Apodaca, Mayor & Council Public Affairs Senior Manager
Matthew Dunbar, Budget & Policy Director
Thomas Dwiggins, Fire Chief
Val Gale, Assistant Fire Chief
Keith Hargis, Assistant Fire Chief
Toni Smith, Marketing and Communications Manager

Discussion

1. Presentation, Discussion, and Possible Direction to Staff Regarding a City of Chandler Municipal Emergency Ambulance Transport System

MAYOR HARTKE called for a staff presentation.

JOSHUA WRIGHT, City Manager, introduced the discussion item.

TOM DWIGGINS, Fire Chief, presented the following presentation.

- Ambulance Service Proposal
- Agenda Ambulance Service Proposal
 - 1- Ambulance Contract History
 - 2- New System Recommendation
 - 3- Benefits of Proposed System
 - 4- Feasibility Study Results
 - 5- Start-Up Costs
 - 6- Next Steps
- Ambulance Contract History
 - Southwest Ambulance 2002
 - PMT/Southwest Ambulance Split 2007
 - Rural Metro Ambulance 2010
 - AMR Ambulance 2012
 - Maricopa Ambulance 2022
- Current Ambulance Contract
 - Deployment
 - 6 24/7 Ambulances, 1 Peak-Time Ambulance Deployed from (7) CFD Fire Stations
 - Staffing
 - CFD Paramedic Assigned to the Attendant Position, Maricopa Ambulance EMT Assigned to Driver Position
 - Reimbursement
 - CFD Paramedic FTE is Reimbursed at 61% of Total Salary, \$394,800 Reimbursed for Billeting
 - Contract Terms
 - Initiated in 2022, Four Year Contract with (3) One Year Renewals (EXP January 1, 2026)
- Historic Challenges
 - Professional Staffing
 - High turnover
 - Inconsistent hiring practices
 - Minimal initial training

- Lack of on-going training
 - No direct supervision
- Continuity of Operations
 - Inconsistent standard operating procedures
 - Equipment stocking errors
 - Different work schedule
 - Staffing model issues
- Dynamic Deployment
 - Lack of deployment flexibility
 - Surge capacity procedures
 - System-wide enhancement benchmarks
- Cost Neutral Services
 - Paramedic reimbursement %
 - Lack of input on Chandler rates
 - Lack of input on supply fees
 - Inconsistent equipment replacement plans
- Jurisdictions with Municipal Ambulance System
 - Gilbert
 - Tempe
 - Mesa
 - Scottsdale
 - Phoenix
 - Queen Creek
 - Peoria
 - Goodyear
 - Surprise
 - Buckeye
 - Apache Junction
 - Sun Lakes
- Jurisdictions with Municipal Ambulance System

COUNCILMEMBER ORLANDO asked if ambulance services are a mutual aid system and if a private company could interface with this system.

CHIEF DWIGGINS explained that many municipalities have their own ambulance service. Fire has an automatic aid system, meaning that when a 911 call is placed, the nearest service responds, no matter the municipality they are from. Ambulance services have more of a mutual aid system, where agreements between parties allow for dispatching ambulance services when there are no available city ambulance services. Sometimes, all city ambulances are busy, with no coverage for needed services that just the city can provide. In an opportunity to seek backup from contracted ambulance service, the closest users of the contracted service are in Scottsdale and Glendale. The other option is interfacility ambulances that can move units between hospitals; they are busy units

that are not 911 responders. Chief Dwiggins continued that one concern is that as communities surrounding Chandler move to their own ambulance services, Chandler is not included as part of ambulance aid agreements.

COUNCILMEMBER ORLANDO said that because of these challenges, an ambulance may not be available to provide services if someone calls 911.

CHIEF DWIGGINS said that is correct. The response in that situation is to pull an interfacility ambulance or a contracted ambulance from another jurisdiction. The East Valley does intend to create a similar automatic aid system for ambulance services, where services will be dispatched based on proximity. Some specific emergency events that are time-critical receive immediate dispatch from any respondent.

CHIEF DWIGGINS continued the presentation.

- Ambulance Service Recommendation
 - Transition to a City of Chandler municipal emergency ambulance system by January 1st 2027.
- Benefits of a City of Chandler Ambulance System
 - 1. Professional staffing
 - 2. Continuity of operations
 - 3. Dynamic deployment
 - 4. Cost neutral services
- Professional Staffing
 - Hiring Practices
 - Written Test, (2) Interviews, 5-Week Internship, Comprehensive Background Check, Physical
 - Initial Training
 - 14 Week Academy, 6 Week EMT School, (3) 90-Day Rotations on Frontline Response Units
 - On-Going Training
 - Quarterly Emergency Medical Training, Monthly On-Line Continuing Education, Crew-Based Scenario Training
 - Personnel Management
 - Direct Supervision of Staff, City Rules and Policies, Internal Chain of Command
- Continuity of Operations
 - Standard Operating Procedures
 - All SOP's are in alignment with regional best practices. Off-line medical procedures are vetted out by physicians from Chandler Regional.
 - Equipment Consistency
 - Equipment and medical supplies are selected through an internal committee process. Supplies are inventoried and restocked by CFD personnel.
 - Consistent Work Schedule

- All front-line response personnel other than the 40-hour units work a 48/96 shift schedule. Crews are assigned into team at two-year intervals.
- Consistent Staffing Model
 - The goal for medical transportation is to provide continuity of care from 911 activation through transfer of care to a receiving facility.

MAYOR HARTKE asked if there were discrepancies in operating procedures that contracted services use compared to Chandler.

CHIEF DWIGGINS said each service provider has their own internal policies. This becomes an issue in patient handoff, where providers are operating off different protocols.

CHIEF DWIGGINS continued the presentation.

- Dynamic Deployment
 - Peak-Time deployment
 - Surge capacity deployment
 - Special event deployment
- Cost Neutral Services
 - Subsidization of Current Contract
 - Control of Transport Rates
 - Control of Equipment Fees

COUNCILMEMBER POSTON asked if the rate could be set lower.

CHIEF DWIGGINS said it is possible.

MAYOR HARTKE asked about other municipalities rate decreases.

CHIEF DWIGGINS said the rate will be set at the time of the CON application.

MAYOR HARTKE asked if the recommendation is to follow the Phoenix group rate.

CHIEF DWIGGINS said the recommendation is to follow the Phoenix group rate until the upfront costs of beginning the service are paid down.

COUNCILMEMBER STEWART asked how cities handle underinsured or uninsured users of the service.

CHIEF DWIGGINS said service providers absorb the cost. That expected cost is taken into consideration for these projections. Different coverage rates, such as Medicare and Medicaid, are also considered.

COUNCILMEMBER ORLANDO said that is the cost of doing business.

CHIEF DWIGGINS continued the presentation.

- JVG Feasibility Study Scope of Work
 - Resource Needs
 - Deployment
 - Start-up Cost
 - System Cost
 - Funding for feasibility study included in City Council Approved 2023/24 Budget
 - Scope of service included analysis of resource needs, deployment, start-up costs, and system costs
 - James Vincent Group (JVG) selected for their expertise, having conducted multiple studies and bringing 70 years of industry experience.
- Resource Needs
 - Ambulance Fleet
 - 10 Total Ambulances Needed
 - 7 Front line Ambulances
 - 3 Reserve Ambulances
 - **1 Ambulance FY 2024-25 CIP Funded
 - Ambulance Supplies
 - EMTs
 - 21 FTE EMT's
 - Paramedics
 - 24 FTE Paramedics
 - **18 Paramedics Currently Employed
 - Support Staff
 - 1 Program Manager FTE
 - 1 Compliance Officer FTE
 - 1 Mechanic FTE

MAYOR HARTKE asked if there are seven ambulances currently in use. This would establish seven full-time ambulances and three reserve ambulances.

CHIEF DWIGGINS said the current service includes six ambulances with one peak time. The intention is to establish seven full-time ambulances.

COUNCILMEMBER ELLIS asked about the number of EMT FTEs.

CHIEF DWIGGINS said Chandler does not currently employ EMT FTEs; these are the contracted service providers. There would be 21 net new EMTs.

COUNCILMEMBER ELLIS asked about the onboarding of these new EMTs.

CHIEF DWIGGINS answered that recruitment will begin in January 2026 with a graduation goal of 2026, to begin with the new program in 2027. There have not been issues with the recruitment of firefighters.

COUNCILMEMBER ORLANDO asked if the intent is to operate as a self-funded enterprise fund.

CHIEF DWIGGINS said that was correct. The start-up costs would be covered by General Fund dollars initially, and over the first five years, the company would work to repay that.

COUNCILMEMBER ORLANDO asked who gets reimbursed in a dispatch to another municipality.

CHIEF DWIGGINS said whoever completes the transport would be paid under a mutual aid system, but an automatic aid system is recommended because Chandler is patient-focused rather than profit-focused.

CHIEF DWIGGINS continued the presentation.

- Deployment
- Start-Up Costs
 - Ambulances
 - \$6,552,802
 - 9 ambulances
 - Ambulance equipment
 - Ambulance supplies
 - CON Process
 - \$60,000
 - Application Creation
 - Legal fees if challenged
 - Support FTE's
 - \$358,003
 - 1 program manager
 - 1 compliance officer
 - 1 fleet mechanic
 - Ambulance FTE's
 - \$2,910,225
 - 21 EMT's
 - 6 paramedics

COUNCILMEMBER STEWART asked what value DHS provides.

CHIEF DWIGGINS said the entity that will approve or deny Chandler's application regulates ambulance equipment, rate increases, inspection and certification of ambulances, and EMT/paramedic certification and continuing education.

COUNCILMEMBER ELLIS asked if the pay rate for FTE is realistic.

CHIEF DWIGGINS said that new hires would receive these rates. The Fire Department has a low turnover rate. A 5% increase in pay and benefits is expected each year. Chandler's rates are competitive with those of other municipalities.

COUNCILMEMBER ELLIS asked how frequently redesignation occurs with DHS.

CHIEF DWIGGINS said reports are sent to DHS every quarter, they are examined quarterly, and they may conduct inspections at any time.

CHIEF DWIGGINS continued the presentation.

- Assumptions for Projections
 - 5.5% Transport increase every year
 - 2% Increase in transport fees annually
 - 5% Pay increase for FTE's every year
 - 5% Replacement fund in years 1 and 2
 - 10% Replacement fund after year 2
 - 10% Contingency fund year 5, 15% after year 5

COUNCILMEMBER ENCINAS asked if the 5% pay increase for FTEs is part of the existing MOU.

CHIEF DWIGGINS said this is historically accurate for all MOUs as part of the projections the consulting group provided.

CHIEF DWIGGINS continued the presentation.

- Projected ROI

COUNCILMEMBER ORLANDO asked how payments for service are collected.

CHIEF DWIGGINS said a third-party billing service will be used, and the cost of the service is expected to be included in the operating expenses.

COUNCILMEMBER ORLANDO clarified that ambulance transport means a patient transfer to a hospital.

CHIEF DWIGGINS said that in the CON application, groups can apply for a 911 CON, an interfacility CON, or both. Interfacility is typically fulfilled by the private sector.

COUNCILMEMBER POSTON asked if the \$6.9 million would happen over five years or in a onetime amount after five years.

MATTHEW DUNBAR, Budget & Policy Director, answered each year a percentage would be captured depending on actual revenue for each year.

COUNCILMEMBER ENCINAS asked what a typical reimbursement timeframe is from the service user.

CHIEF DWIGGINS said six months after transport is when the fee goes through the billing process.

MAYOR HARTKE explained that a future Council can decide to potentially change transport rates.

CHIEF DWIGGINS agreed and said the best option would be to join the Phoenix group rate and let future Councils decide their rate philosophy after the General Fund is paid down.

CHIEF DWIGGINS continued the presentation.

- JVG Feasibility Study Final Report
 - Resource Needs
 - Deployment
 - Start-up Cost
 - System Cost
 - "The analysis contained in this report has shown that it is both operationally and financially feasible for the City of Chandler to provide ground ambulance services for the community it serves." -JVG
- Summary
 - Recommendation: Transition to a City of Chandler municipal emergency ambulance system by January 1, 2027
 - Feasibility Study Findings: The analysis shows operational and financial feasibility for Chandler to provide emergency ambulance services
 - Operational Enhancements: Improved staffing, standardized operating procedures, flexibility in deployment, and additional system coverage
 - Financial Enhancements: Full reimbursement of personnel, control over rates, creation of a VRP and contingency fund, ROI at 49 months
 - Next Steps: Ambulance procurement, CON application submission
- Roadmap Timeline

COUNCILMEMBER POSTON asks what would happen with existing contracted services.

CHIEF DWIGGINS said the current contract with the service provider ends in January 2026. A one-year renewal would be approved with a term end date of January 2027, when Chandler's service

would roll out. The service provider is owned by a larger company across the United States. The service provider supports this process has historically has in other municipalities.

COUNCILMEMBER POSTON asked if the Phoenix group rate for transport fee is more or less than the currently charged transport fee.

CHIEF DWIGGINS said it is the same, there would be no change.

COUNCILMEMBER ENCINAS asked if there were delays in the implementation of the Chandler municipal ambulance service, is there opportunity to renew the existing contract.

CHIEF DWIGGINS answered that the contract could be renegotiated with the existing service provider. Other cities are experiencing similar situations in their transitions to municipal service.

COUNCILMEMBER ENCINAS asked if this transition would improve response time for emergency services.

CHIEF DWIGGINS responded that it will help with response times, as Chandler is responsible for the response times. The responsibility will shift to Chandler. Chandler will ensure ambulance coverage, response times, and provide the best service to the patients. Additionally, some federal grants are tied to the municipality's CON.

COUNCILMEMBER ELLIS emphasized that lives will be saved by this improvement. There are so many benefits.

CHIEF DWIGGINS added that the Fire Department sees a lot of medical calls for service and emphasized the importance of positive patient outcomes.

COUNCILMEMBER ORLANDO asked if there are any downsides to a transition like this.

CHIEF DWIGGINS said a common response would be putting workforce on ambulances, however, the department is driven by professionals and experts who understand the need for change. Having Chandler firefighters in the service would be a benefit. A different challenge would be fluctuating Medicare and Medicaid rates. The responsibility of response times will be self-owned.

COUNCILMEMBER STEWART said the Fire Department is patient focused. This will provide service and accountability to Chandler residents.

MAYOR HARTKE acknowledged the landscape of the industry has changed. There is a strong financial case, and this will offer a better quality of care for residents.

COUNCILMEMBER ORLANDO said it is great to see this patient focused goal adopted by Phoenix metro area municipalities.

MAYOR HARTKE said the next step will come before Council in September.

Public Comment

None.

Adjourn

The meeting was adjourned at 5:16 p.m.

ATTEST: *Dana R. DiLong*
City Clerk

Kevin Hartke
Mayor

Approval Date of Minutes: September 9, 2024

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session of the City Council of Chandler, Arizona, held on the 15th day of August 2024. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 9th day of September, 2024.

Dana R. DiLong
City Clerk

