



**TO:** Board of Contracts and Awards  
**FROM:** Michael Fitzgerald, Assistant to the Chief, Budget & Finance, Fire Department *MF*  
James P. Duggan, Fire Chief *JPD*  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and  
Kimberly Ward, Sr. Buyer, Finance/Purchasing  
**SUBJECT:** Contracted Private Ambulance Emergency Response and Transport  
Request for Proposals FD17-0260F – October 10, 2017  
**DATE:** September 20, 2017

**SUMMARY:**

The Tacoma Fire Department (TFD) requests approval to award a contract to AMR HoldCo. Inc., dba American Medical Response Ambulance Service, Inc. (AMR), Fife, Washington, to provide private ambulance emergency response and emergency transport services for a three-year period commencing November 28, 2017, with options for two additional one-year extensions.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and support a safe city with healthy residents.

The proposed contract provides primary basic life support (BLS) emergency medical transport and backup advanced life support (ALS) emergency medical transport services to residents within TFD’s service area.

**BACKGROUND:**

TFD utilizes a private sector partner to provide primary BLS and back-up ALS emergency medical ambulance transport services within its service area.

On June 1, 2017, AMR provided formal notice of their intent to cancel their current contract with the City, effective November 27, 2017. In response, City staff developed RFP FD17-0260F to solicit for a replacement contract.

**ISSUE:** Should the City of Tacoma accept the proposal of AMR to provide primary BLS and backup ALS emergency medical transport services to residents within TFD’s service area?

**ALTERNATIVES:** The existing AMR contract cannot be extended. TFD lacks the capacity to cost effectively perform this work itself. If the City rejected AMR’s proposal for the proposed contract, TFD would probably need to obtain a contract through direct negotiation.

**COMPETITIVE SOLICITATION:** Request for Proposals Specification No. FD17-0260F was opened September 5, 2017. Four companies were invited to respond in addition to normal advertising of the project. One submittal was received.

AMR took exception to two provisions of the solicitation: Section V.A., Response Time Standards, and Section V.E., Liquidated Damages. In its proposal, AMR indicated it would “recognize [only] one response zone that includes the entire Tacoma Fire response area” instead of the thirteen performance zones identified in the RFP. AMR also established its own response time standard of 11:59 minutes for 90 percent of incidents in the zone instead of the City’s proposed standard of eight minutes for priority incidents, 15 minutes for routine incidents, and 25 minutes for bariatric response. With one exception, AMR declined to pay liquidated damages for any response time penalties except for failure to achieve their proposed lesser performance standard.



Section I.J. of the solicitation includes language that indicates that “failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.” However, TFD recognized that rejection of AMR’s proposal would leave the City without any proposals. Understanding that all eligible vendors were afforded an opportunity to submit proposals and doubting that a second solicitation or subsequent direct negotiation would lead to a more competitive and responsive proposal, TFD staff accepted the AMR proposal as sufficiently responsive, per items 1.18 A.9. and 1.20 of the RFP Standard Terms and Conditions wherein TFD is authorized to make award in the best interest of the City.

A Selection Advisory Committee (SAC) comprised of four TFD staff members reviewed and scored the submittal based on the following categories and weights: Proposed deployment plan (40 points), peak deployment plan (20 points), consumer charges (20 points), and employee wages and benefits (20 points). The SAC generally provided lower scores for the deployment plan and consumer charges due to the allowance for potentially longer response times and for the more than doubled transport fee charges to the public in comparison to the current contract. The raters’ scores were totaled and averaged to determine the final score.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Score</u>
<b>American Medical Response Ambulance Service, Inc.</b>	<b>Fife, Washington</b>	<b>97.8</b>

**CONTRACT HISTORY:** New Contract.

In 2004, as a result of RFP FD04-0073F, the City Council approved a contract with Rural/Metro of Greater Seattle, Inc., to provide private ambulance emergency response and transport services in support of TFD. In January 2012, as a result of RFP FD11-0196F, the City again awarded a contract to Rural/Metro. In October 2015, American Medical Response acquired Rural/Metro and assumed the contract with the City of Tacoma. At times during AMR’s contract term, it was unable to meet performance standards and was fined for non-performance as stipulated in the contract.

**SUSTAINABILITY:** Attached is a Statement from AMR concerning its environmentally sustainable work policies and practices.

**SBE/LEAP COMPLIANCE:** Not applicable.



**RECOMMENDATION:**

TFD recommends award of a contract to AMR HoldCo. Inc., dba American Medical Response Ambulance Service, Inc., to provide private ambulance emergency response and emergency transport services for a three-year period commencing October 28, 2017, with options for two additional one-year extensions.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1155 EMS Special Revenue Fd	609100	Various	\$1,274,118
<b>TOTAL</b>			<b>\$1,274,118</b>

\* Three-Year Contract With Estimated 3% COLA Increases.

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1155 EMS Special Revenue Fd	609100	4349160	\$1,274,118
<b>TOTAL</b>			<b>\$1,274,118</b>

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$482,980**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

FINANCE PURCHASING  
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