

1. REQUESTED MOTION:

ACTION REQUESTED: Authorize expenditures not to exceed \$185,950.00 to reserve an EC145 Helicopter airframe for construction. Approve transfer from General Fund Reserves for this expenditure

WHY ACTION IS NECESSARY: Expenditures over \$50,000 must have Board approval, according to Section 9.4.1 of the Lee County Purchasing and Payment Procedures Manual.

WHAT ACTION ACCOMPLISHES: Reserves an airframe for a new helicopter to replace the current Lee County EMS air ambulance unit by the year 2004.

2. DEPARTMENTAL CATEGORY: 7
COMMISSION DISTRICT #:

A 7 B

3. MEETING DATE: August 6, 2002

5. REQUIREMENT/PURPOSE: (Specify)	
<input type="checkbox"/> STATUTE	
<input type="checkbox"/> ORDINANCE	
<input checked="" type="checkbox"/> ADMIN. CODE	AC 4-1
<input type="checkbox"/> OTHER	

6. REQUESTOR OF INFORMATION:

A. COMMISSIONER	
B. DEPARTMENT	
C. DIVISION	Public Safety
BY:	John D. Wilson <i>JW</i>

7. BACKGROUND: At the June 2002 Management and Planning Meeting, staff received direction to bring this item before the Board for consideration. Additional information was requested concerning the proposed purchase of a new air ambulance on timesharing, revenue generated by the new ship, availability of grants to offset the purchase, and the need for additional pilots if the County continued to operate both the current and proposed air ambulances. These responses are contained in Attachment A. Attachment B summarizes the reasons for considering purchasing an additional air ambulance unit.

To recap the basis for this request, the airframe for the additional helicopter would not be available until the year 2004. This timeframe puts the current helicopter into its 14th year of service. To acquire the proposed EC 145 Helicopter would call for an up front payment of five percent of the air ship's basic cost to reserve an airframe, which would require the county to furnish requested \$185,950.00 expenditure in this fiscal year. This would be followed by an additional \$361,853.00 payment, which needs to be budgeted in the next fiscal year. The remainder of the payment would be due when the helicopter is delivered.

Attachment A: Response to issues raised at the June 3, 2002 Management & Planning Committee Meeting
Attachment B: Need for new helicopter

8. MANAGEMENT RECOMMENDATIONS: Staff will forward to BoCC for consideration!

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
					OA	OM	Risk	GC	
<i>W. D. ...</i> 7/18/02	N/A	N/A		<i>Andrea Staur</i>	<i>RK</i> 7/16	<i>7/16</i>	<i>7/16</i>	<i>7/16</i>	<i>7-23-02</i>

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

REC'D.
BY CO. ATTY.
7/15/02
11:50 AM
CO. ATTY.
7/15/02
Budget
7:07 PM

RECEIVED BY
COUNTY ADMIN. PM
7/15/02
2:05 PM
COUNTY ADMIN.

Attachment A

Response to Issues Raised At the June 3, 2002 Management & Planning Committee Meeting Regarding Acquisition of an Additional EMS Helicopter

1. **Time Sharing of EMS Air Ambulance Units:** Collier County Emergency Services would like to use the current EMS air ambulance unit as a backup when their helicopter is scheduled for maintenance service. They have also expressed a willingness to share in the operating expenses of the current air ship to help offset operating costs to Lee County of maintaining two aircraft.
2. **Revenue Generated by Additional Air Ambulance Unit:** The County is in the initial stage of applying for FAR 135 status from the Federal Aviation Agency (FAA). This status would allow the County to use the National Ambulance Fee Schedule to recoup the cost of the additional airship through a fee rate structure that is over and above what we currently charge for air ship operations. These higher rates would be within approved Medicare reimbursement rates for reasonable service, be phased over a four-year period, and would recoup purchase costs for the additional air ambulance unit by year 13 of its operation.
3. **Grant Availability to Offset Purchase:** The following grant programs could help offset the cost of the additional air ambulance unit:
 - a. EMS Trust Fund County Award Monies: Amount: Up to \$100,000. This funding normally is shared with local fire service agencies providing ALS non-transport services. It could be used to offset this cost because of the enhancement to EMS service. This funding source is different than the 50/50 matching grant used to help purchase the current air ship.
 - b. Emergency Management Preparedness Assistance Trust Fund, Competitive Grant. Amount: Up to \$300,000. This grant program provides funding to projects that further state and local emergency management objectives as designated by the State of Florida in the Notice of Fund Availability published annually. Given the current focus of Domestic/Homeland Security and that Lee County EMS is under contract with the State as a first tier regional response team asset, these funds may be available to offset a portion of the purchase costs.
 - c. Homeland Security Bill Funding: Amount: Unknown. The proposed federal funding in response to the September 11 terrorist attacks may be a potential source again because of Lee County EMS's role as a regional domestic security disaster response team. Justification could be based on the increased payload capability, faster response time, and the additional capability of second ship in response to a terrorism incident.
4. **Need for Additional Pilots:** Additional pilots would not be needed to run the new air ship. The same pilot rotation program would be used. If the decision to use run both airships at the same time (i.e. during the tourist season to assist in call response), the EMS Chief Pilot position could operate the other ship subject to rest period regulations currently in place.

Attachment B Need For a New Helicopter

The following forms the rationale for looking a purchasing a new helicopter for provide air ambulance service for Lee County:

Low availability compared to industry standards:

Present as well as future availability of current air ship is expected to continue to slowly decrease. This is because our present ship is aging and will require additional maintenance. The industry standard for availability is generally considered to be above 95% with 98% (approximately 1 week of down time on the aircraft), being a desirable target. Our availability has never exceeded 90% and last year we achieved only 82%. If a new aircraft could be added to our existing fleet, industry standards could easily be achieved. Low availability also affects present as well as future ability to handle critical call volume. In our case, critical call volume is defined as those calls where transport to the hospital resulted in a significant timesavings not afforded by other means. At present we average about 1 time sensitive critical call per day. Therefore, 18% availability equates to a loss of approximately 60 critical transports per year.

Current medical standards:

Lack of space has always been a problem in properly attending to a patient. Thirteen years ago, the acquisition of our present aircraft was considered a vast improvement over the aircraft then being used. The picture presents itself no differently now than it was then. Higher medical standards are now being applied in a pre-hospital setting. The result is greater demands being placed on the medic now and in the future. This requires re-evaluation of the work environment to see if both present and future standards could be met. Areas of concern were:

- An eventual commitment to a two-medical crew (considered standard in most aero medical transport systems)
- The ability to highly specialized transports of critical patients both now and in the future.

Maintaining market share:

Presently Lee County provides mutual aid to surrounding counties as part of our agreements with them. They also rely on helicopter mutual aid from other services. We need to insure that our ability to assist those counties remains at the same level presently available from those other sources. In the past this concern was not as important as it is going to be in the future. In attempting to reduce the costs to our operations by assuming the responsibility of an operational change to FAR 135, we gain the potential revenue afforded by these flights. Whether it is critical inter-facility call or a critical field transport, the ability to handle these calls is going to be an essential part of our future economic well-being.

Type of aircraft:

Discussion over this issue resolved around the same points as arose during the purchase of the aircraft we currently operate. Very few aircraft effectively meet the needs of the EMS industry. This is essentially a flying box with as small an overall footprint as possible, yet containing the maximum room available for use. This limited our search to basically three aircraft. And, as long as the initial cost remained below the lease vs. purchase threshold for the period of ownership, the decision become one based on operational needs. The choice of the EC 145 as a final recommendation followed close examination of the issues listed above.