



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis**

**Board of County Commissioners**

October 19, 2010  
9:30 A.M.  
Commission Chamber

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**Miami-Dade County Board of County Commissioners  
Office of the Commission Auditor**

**Legislative Notes  
Miami-Dade County Board of County Commissioners  
Meeting Agenda**

**October 19, 2010**

Written analyses and notes for the below listed items are attached for your consideration:

**Item Number(s)**

8(O)1(B)
8(O)1(B) Supplement

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

MIAMI-DADE COUNTY  
BOARD OF COUNTY COMMISSIONERS  
OFFICE OF THE COMMISSION AUDITOR



Legislative Notes

**Agenda Item:** 8(O)1(B) and 8(O)1(B) Supplement  
**File Number:** 101990 and 102179  
**Committee(s) of Reference:** Budget, Planning and Sustainability  
**Date of Analysis:** October 15, 2010  
**Type of Item:** Medical Transportation Services (Ambulance) – RFP 692

**Summary**

This resolution rejects all proposals under RFP 692, authorizing parallel negotiations with the two vendors under consideration: (1) Randle-Eastern Ambulance Services, Inc. *d/b/a* American Medical Response (AMR), and (2) the alliance of American Medical Service Inc. and Medics Ambulance Service (the Alliance); and authorizes the County Mayor or his designee to negotiate an agreement which would then be presented to the Board of Miami Dade County for consideration of award.

If authorized, **parallel negotiations will take into considerations a revised EMS fee schedule and modifications to response levels and liquidated damages.** The revised EMS fee schedule may reflect an increase in the rates charged for medical transportation services. In addition, the arrival time, the time at which the ambulance arrives onsite at the physical address provided by the Fire Rescue dispatcher, and the liquidated damages provision, the penalties assessed for a late response, may be modified due to proposers stating that both prevent them from being able to provide this service without a County subsidy. **According to the County Manager's memo dated March 3, 2009, AMR paid \$1,221,012 in liquidated damages for not meeting response times under service agreement for Group 1.**

This resolution also waives the requirements of §2-8.3 and §2-8.4 of the Miami-Dade County Code (Code), pertaining to formal bid procedures and bid protests. These sections of the Code may be waived by a 2/3 vote of the Board members present.

Furthermore, the Supplemental Item provides information on the temporary bridge contract that was issued for a six (6) month term, from March 17, 2010 to September 16, 2010; and the extension of this bridge contract for an additional six (6) months, from September 16, 2010 to March 15, 2011. **The bridge contract and its extension were awarded internally by the Department of Procurement Management (DPM) to the current provider AMR.**

### **Background and Relevant Legislation**

On December 14, 2004, through Resolution No. 1479-04, the Board of County Commissioners (BCC) authorized execution of agreements with AMR and MCT Express, Inc., *d/b/a* Miami Dade Ambulance Service (MCT) to provide medical transportation services (ambulance). Services under this contract are divided between three (3) agreements. Below is the breakdown of services by agreement:

- Group 1 – Awarded to AMR for urgent /non-urgent response for County and Municipal Fire Rescue System;
- Group 2 – Awarded to AMR for urgent/non-urgent response for Miami-Dade Corrections and Municipal Police Departments; and
- Group 3 – Awarded to MCT for urgent/non-urgent community health facilities.

The services provided under Group 1 and 2 are at no cost to the County. The Contractor for these services is compensated from sources other than the County, including private payees and/or insurance companies. The services provided under Group 3 were at a rate of \$27.47 per call (\$24,723 annually based on 75 calls per month).

On March 3, 2009, the current contract was modified under Resolution No. 187-09 to provide Group 1 - a modification to the liquid damages provision and a time only extension of one (1) year; Group 2 - a time only extension of one (1) year; and Group 3 - \$40,000 in additional spending authority and a time extension of one (1) year.

The modification extended the allowable response time of ambulances and adjusted when the penalties were applied. Although Resolution No. 187-09 addressed the issue that AMR was accruing penalties, it did not apply a mechanism to enhance response time.

### **Fiscal Impacts**

Under the extension of the temporary bridge contract, Group 3 is not extended. According to the County Manager's Supplemental memo, as of September 13, 2010, all agencies have been notified and have made alternate plans for contractual services. RFP 692 includes proposals for urgent/non-urgent community health facilities (Group 3).

The prices submitted by the two vendors for RFP 692 are significantly higher than what the County is currently paying for these services. Currently the services provided under Groups 1 and 2 are at no cost to the County and Group 3 is at \$27.47. In addition, AMR, the highest ranked proposer, submitted prices that are significantly lower than the second ranked proposer, the Alliance (see chart on next page).

Medical Transportation Services (Ambulance) – RFP 692			
Agreements	Existing Contracts	AMR	The Alliance
Group 1	\$0	\$98	\$200 <sup>1</sup>
Group 2	\$0	\$98	\$300
Group 3	\$27.47	\$98 <sup>2</sup>	\$140

RFP 692 includes a requirement that the Contractor pay approximately \$50,000 annually to the County to cover the Department of Emergency Management costs to monitor this contract.

### Comments / Questions

#### Temporary Bridge Contract

According to the County Manager’s Supplemental memo, the temporary bridge contract eliminated the penalties for response times.

- **If there are no penalties for response times, how is the County able to guarantee that ambulances are arriving within the required time frame?**

#### Successor Contract and Liquidated Damages

**Currently, there is no recommended successor contract.** This resolution rejects all proposals for RFP 692 and authorizes the Department of Procurement Management (DPM) to negotiate with the two vendors under consideration. According to DPM, this negotiation would include discussions pertaining to response times and potential liquidated damages.

The response times and potential liquidated damages under RFP 692 are almost identical to those provided under the original contract; however, there are differences which are noted below:

- The original contract applied penalties for Groups 1 and 2 to both urgent and non-urgent response requests. Under RFP 692, liquidated damages are applied only to urgent response times for Groups 1 and 2.
- The original contract for Group 3 did not specify penalties for pre-arranged pick up and/or return times. Under RFP 692, penalties are specified for pre-arranged pick up and/or return times.

**Prepared by:** Elizabeth N. Owens

<sup>1</sup> The proposer offers on an optional basis \$140 per transport – but requires a guarantee of 2,000 transports per month.

<sup>2</sup> The proposer is an alliance of AMR and MCT, the two existing contractors.