Doubt cast on financing for public ambulances

By Nick Baptista / The Valley Springs News / October 21, 2020

It appears the fire chiefs of Calaveras County must take a detour to establish a public ambulance service throughout the entire county.

An earlier promise made by the county Board of Supervisors of a \$2.6 million loan from county coffers to provide seed money to get the public ambulance service up and running will not be possible.

County Counsel Sarah Edwards informed the board and fire chiefs at a special meeting Monday that state law prohibits the county from making a direct loan to the joint powers authority being established by nine districts to start the public ambulance service.

However, the county has the authority to loan money to the individual fire districts.

When the board decided to loan the JPA the money back on Sept. 9, one of the stipulations was the JPA had to obtain a bond to secure the loan.

Calaveras Consolidated Fire District Chief Rich Dickinson informed the board he has been working with a bonding counsel in the meantime and U.S. sources are reluctant to loan the money since the JPA has nothing to offer in security at this time.

The fire chiefs are looking at \$1.5 million in start-up costs for ambulances and advance life support equipment, with a lag of several months before revenue is obtained in the form of billings to insurance companies and the state.

The JPA believes it can repay the loan in about two years.

"All we're asking is to throw some pixey dust our way," Dickinson told the board.

The county is divided into three ambulance zones. Ebbetts Pass Fire Protection District has the contract along the upper Highway 4 portion of the county, while American Legion Ambulance Service, a private entity out of Amador County, has the contracts for the north and south zones that cover the rest of the county. The contracts for those zones have expired and the JPA plans to submit a request for proposal to the Mountain-Valley Emergency Medical Services Agency to provide those services.

District 5 Supervisor Benjamin Stopper, whose district is served by CalCo Fire, floated the idea of using each fire district's tax base as the backing for the seed money.

Edwards said each fire district could use 85 percent of its annual tax assessment as security toward the advancement of county funds.

"We're turning ourselves into pretzels to make this work," Stopper said as he promoted the idea of rethinking the idea of a loan to the JPA toward an advance based on each fire district's tax base.

District 4 Supervisor Dennis Mills, whose district s served by Copperopolis, Angels Camp and Altaville-Melones fire protection districts, questioned whether all nine fire districts would have to be in agreement to the arrangement or whether just enough districts with the necessary tax base to cover the advancement would do.

"We can't legally do the loan," said District 2 Supervisor Jack Garamendi, and if the fire chiefs don't go along with the districts being responsible to back the advance "I feel like we've been wasting the people's time here." His district includes fire districts covering the communities of Mokelumne Hill, Paloma, West Point, Wilseyville, Glencoe, Rail Road Flat, Sheep Ranch, Mountain Ranch and Calaveritas.

Angels Camp and Angels-Melones Fire Chief John Rohrabaugh said getting all of the fire districts to pledge their tax base toward covering the advance might be "extremely difficult" and time consuming since they have less than two weeks before making an oral presentation to the Mountain-Valley Emergency Medical Services Agency for the contract.

Moreover, "what is the risk?" Rohrabaugh asked. "9-1-1 calls will happen, insurances will pay." He added the public ambulance service will substantially reduce response times and save lives if implemented.

District 1 Supervisor Gary Tofanelli said the board had already agreed to lend the money and it was so earmarked in the county budget.

"I'd like to find some way we can work with them (the fire districts)," Tofanelli said. His district is served by CalCo and San Andreas Fire Protection District.

He said once the JPA buys the ambulances and life-saving equipment it has items that could be used as securities.

District 3 Supervisor and Board Chair Merita Callaway said she could not support the idea. Her district is served by Ebbetts Pass and Murphys Fire Protection. Callaway said she did not want to take the risk and face the possibility of cutting other county services if the fire districts were unable to repay. She along with Garamendi voted against a motion made by Stopper.

His motion called for the board to drop the bond requirement and offer the advance monies through the fire districts. The details would be worked out in a later board resolution. The motion was seconded by Tofanelli and Mills cast the third vote in favor.