

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Tim Tittle, Fire Chief

DATE: November 19, 2018

SUBJECT: **Approval of the Fiscal Year 2018-2019 Ambulance Service Interlocal Cooperation Agreement Between Denton County and the City of Lewisville; and Authorization for the City Manager or Her Designee to Execute the Agreement.**

BACKGROUND

The Lewisville Fire Department provides emergency ambulance service to unincorporated areas of Denton County through an interlocal cooperation agreement. This agreement has been in effect for many years and is approved annually for the period of October 1 through September 30.

The Ambulance Service Agreement provides for Denton County to pay an estimated fee based on a funding formula as follows: 1) a population-based readiness sum based on per capita; 2) a designated sum per ambulance run; and 3) a fixed sum based on the area covered. Each year the Denton County Fire Marshal supplies data and recommendations for the proposed Agreement. The per capita and square mileage information is obtained from the North Central Texas Council of Governments and GIS. The 4.28 rural miles referenced is the Castle Hills area, Lewisville Lake bridge, as well as a small amount of property owned by the Corps of Engineers.

Last fiscal year, the funding formula specifics were as follows: 1) a population-based readiness sum based on .4944 per capita of \$51,567.48; 2) the sum of \$257.1269 per ambulance run. The Denton County Fire Marshal estimated zero runs for us based on our billing history; and 3) a fixed sum based on 4.28 rural miles in the agreed operating territory of \$2,945.76. The estimated total was \$54,513.00.

The reason that the Denton County Fire Marshal estimates zero ambulance runs in the proposed agreement is that we choose not to bill Denton County. It is more beneficial to bill the patients and their insurance companies, while still receiving the fixed, readiness fees from Denton County.

ANALYSIS

The proposed FY 2018-2019 Ambulance Service Agreement is estimated at a fee of \$57,425.00 based on the following funding formula as: 1) a population-based readiness sum based on .4813 per capita of \$54,293.79; 2) the sum of \$255.59 per ambulance run – the Denton County Fire Marshal has estimated one run for us based on the FY 2017-2018 billing history where one ambulance call was billed; and 3) a fixed sum based on 4.16 rural miles in the agreed operating territory of \$2,875.60. In summary, in FY 2018-2019, Denton County will pay a fixed provider fee of \$57,425.00, plus \$255.59 per ambulance run billed by the Lewisville Fire Department. The City will continue to bill the patients and their insurance companies in lieu of Denton County's \$255.59 per run.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the agreement as set forth in the caption above.