



Report to County Council

From: Nicholas Loeb, Director of Legal Services

Date: May 14, 2024

Subject: LS 24-6 Land Ambulance Agreement – Medavie EMS

Recommendation(s):

THAT the report titled “LS 24-6 Land Ambulance Agreement – Medavie EMS” from the Director of Legal Services dated May 14, 2024 be received and filed; and

THAT Council of the County of Elgin award a single-source contract for the provision of Land Ambulance Services to Medavie EMS Ontario Inc. for the period January 1, 2024 to December 31, 2026, with an option to extend for an additional three-year term, in the annual amount of \$12,708,248 subject to CPI Adjustments in the years 2025 and 2026; and

THAT Council of the County of Elgin authorize the Warden and CAO to execute an agreement substantially in the form of the contract attached to this report.

Introduction:

This report recommends that Council award and approve a single-source contract for the provision of Land Ambulance Services to Medavie EMS Ontario Inc. (“Medavie”) for the period of January 1, 2024-December 31, 2026, with an option to extend for an additional three-year term.

Background and Discussion:

Pursuant to legislation, the County of Elgin is responsible for the provision of land ambulance services in its geographic jurisdiction and the City of St. Thomas. The reconciliation of the services between the County of Elgin and the City of St. Thomas is subject to the delivery service agent agreement between the two municipalities.

Medavie EMS Ontario Inc. has provided land ambulance services to the County of Elgin and City of St. Thomas since January 1, 2014 pursuant to an initial three year contract that was extended pursuant to its terms, as amended, and expiring on December 31, 2024.

The City of St. Thomas was provided period updates on the negotiations throughout this process.

Single-Source Procurement

There are a limited number of private providers of land ambulance services. In 2023, Council gave direction to the Interim Chief Administrative Officer to pursue negotiations to enter into a single-source contract for the continued provision of land ambulance services by Medavie EMS Ontario Inc. Staff have been satisfied with the services provided over the past decade.

The County's procurement By-Law No. 20-07 provides that a single source contract may be awarded where there is more than one source of supply in the open market, but there are valid and sufficient reasons for selecting one supplier in particular. The criteria of single-source procurement includes a need for compatibility and goods and/or services previously acquired.

Staff analysis concludes that the criteria for a single-source purchase is met.

2024-2026 Agreement

Pursuant to Council's direction, the County has completed negotiations for a three (3) year agreement with Medavie. The Agreement contemplates continuation of the existing level of service that was in place at the time of expiration of the prior contract.

Negotiated changes to the agreement include the following:

- Provisions have been added regarding mandatory reporting to County and City Council.
- The liability of Medavie has been capped to align with its insurance limits, being \$20,000,000. Previously, there was no ultimate aggregate cap on liability. Staff find this change to be acceptable because the insurance limits are specifically intended to provide sufficient risk management for the nature of paramedicine services.
- The annual cost includes a known escalator for labour, as those costs are known for the duration of the Agreement. The costs for other items are subject to October over October CPI adjustment.
- Costs for heightened service levels, should they arise during the term of this Agreement, are set out in Schedule "E". Given the potential for growth in the Elgin-St. Thomas area, this assists in financial forecasting.
- The requirement for Medavie to lodge a performance bond with the County has been removed, with the savings related the release of that obligation included in the annual pricing.
- Clarity was provided regarding legacy financial responsibilities related to employees.
- Clarity was inserted regarding the obligations of the parties on termination of the Agreement or any change by the Province of Ontario to the delivery of land ambulance services that removes the responsibility from municipalities.

- Sections have been deleted that are more properly dealt with in the station lease agreements.
- Language and schedules have been updated throughout the document to remove and replace outdated terms and conditions or information that has become obsolete through either legislative changes or operational differences.

Financial Implications:

The Agreement has a budgetary impact of \$12,708,248 in 2024, and the same amount subject to adjustments as set out in Schedule “E” of the agreement for 2025 and 2026. The costs of this Agreement are included in the 2024 budget passed by Council.

Alignment with Strategic Priorities:

Serving Elgin	Growing Elgin	Investing in Elgin
<input checked="" type="checkbox"/> Ensuring alignment of current programs and services with community need. <input checked="" type="checkbox"/> Exploring different ways of addressing community need. <input checked="" type="checkbox"/> Engaging with our community and other stakeholders.	<input checked="" type="checkbox"/> Planning for and facilitating commercial, industrial, residential, and agricultural growth. <input type="checkbox"/> Fostering a healthy environment. <input checked="" type="checkbox"/> Enhancing quality of place.	<input checked="" type="checkbox"/> Ensuring we have the necessary tools, resources, and infrastructure to deliver programs and services now and in the future. <input checked="" type="checkbox"/> Delivering mandated programs and services efficiently and effectively.

Local Municipal Partner Impact:

None.

Communication Requirements:

This approval of the contract will be communicated to Medavie as well as the City of St. Thomas.

Conclusion:

Staff recommend the award and authorization for execution of a single-source agreement with Medavie for the provision of land ambulance services for the period of January 1, 2024 through December 31, 2026.

All of which is Respectfully Submitted

Approved for Submission

Nicholas Loeb
Director of Legal Services

Blaine Parkin
Chief Administrative Officer/Clerk