

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING TEMPORARY LOANS OF UP TO \$9,374,810 FROM THE MEASURE A FUND BALANCE TO THE ALS TRANSPORT FUND FOR THE FUNDING OF PHASE II DEPLOYMENT STARTUP COSTS (\$4,881,100) AND VEHICLE AND EQUIPMENT COSTS (\$4,493,100), RESPECTIVELY TO PROVIDE EXCLUSIVE EMERGENCY AMBULANCE TRANSPORT SERVICES WITHIN THE CITY OF CHULA VISTA, THE CITY OF IMPERIAL BEACH AND THE BONITA SUNNYSIDE FIRE PROTECTION DISTRICT COMMENCING ON OR ABOUT APRIL 9, 2021

WHEREAS, on May 12, 2020, the City Council approved Chula Vista Fire Department's proposed Emergency Ambulance Services program, including program operational plans, required vehicles and equipment, required staffing, and overall projected program costs and revenues.

WHEREAS, A combination of methods will be used to finance the phased startup of the transport system, to include utilizing the FY21 ALS budget, utilizing existing fund balances from the ALS fund, capital purchase/lease loans, and a temporary loan from Measure A – Fire Component to the ALS transport fund.

WHEREAS, the Fire Department is seeking to fund the Phase II startup costs by utilizing a temporary loan in the amount of \$4,881,710 from the available FY21 Measure A-Fire Component fund balance to the ALS Transport Fund. The Fire Department projects that the loan will be repaid using AMR's final reimbursement payment under the City's expiring ambulance services contract plus revenues generated from the initial years of the Fire Department's ambulance services operations, but no later than after 5 years of ambulance service operations.

WHEREAS, the Fire Department is seeking an additional Measure A-Fire Component loan to fund vehicle and equipment capital purchases in the amount of \$4,493,100.

WHEREAS, Council approval of this loan will allow the Fire Department to secure the vehicle/equipment purchase in order for the vehicle/equipment vendor to begin building the equipment without delays that could otherwise adversely impact the desired commencement date for Fire Department ambulance transport services. If a capital purchase/lease bank loan is acquired, the additional temporary Measure A-Fire Component loan in the amount of \$4,493,100 will be repaid using those funds.

WHEREAS, any and all loaned amounts will be repaid with interest at a rate equal to the City's pooled investment rate of return, currently approximately 2.2%.

WHEREAS, as a result of the projected timing for repayment of the loans, and the applied interest rate, the Measure A Fire component will not be adversely impacted ..

NOW, THEREFORE, in consideration of the above recitals, and all other information presented by the CVFD, and others, at the June 23, 2020, City Council meeting, the City Council of the City of Chula Vista does hereby authorize and direct the City Manager to finalize and execute a temporary loan from Measure A -Fire Component Fund Balance to the ALS transport fund for the funding of Phase II deployment startup costs and vehicle and equipment costs, as presented, in the not to exceed loan amounts of \$4,881,100 and \$4,493,100, respectively, with interest accruing at the City's pooled investment rate, and repayment at the earliest practical date from the sources and revenues described above.

Presented by

Approved as to form:

Jim Geering,
Fire Chief

Glen R. Googins,
City Attorney