

PITT COUNTY BOARD OF COMMISSIONERS
GREENVILLE, NORTH CAROLINA
JUNE 22, 2007 MINUTES

The Pitt County Board of Commissioners met in a Special Called meeting on Friday, June 22, 2007, at 7:00 PM in the Commissioners' Auditorium, Pitt County Office Building, 1717 W. 5th Street, Greenville, North Carolina.

Commissioners present:

Beth Ward, Chairman
Melvin McLawhorn, Commissioner
Kenneth Ross, Commissioner
Jimmy Garris, Commissioner
Mark Owens, Jr., Vice Chairman – Teleconferenced
Tom Coulson, Commissioner
David Hammond, Commissioner
Eugene James, Commissioner
Tom Johnson, Commissioner

Staff present:

Scott Elliott, County Manager
Trish Staton, Clerk to the Board
JoAnne Burgdorff, County Attorney
Janis Gallagher, Assistant Attorney
Noel Lee, Emergency Management Director
Michael Taylor, Chief Information Officer
Chris McDaniels, Assistant Director of Financial Services

Call to Order

Meeting Notes

Chairman Ward welcomed everyone to the Special Called meeting. She stated Vice Chairman Owens would be present by teleconference.

Chairman Ward recognized Amanda Karr. She stated Ms. Karr has covered the County news for two years and will be moving to Virginia to attend law school. Mrs. Karr was given a memento by the Board of Commissioners. Chairman Ward thanked Ms. Karr for doing an excellent job for the County.

Roll Call

Invocation and Pledge

Meeting Notes

Commissioner Hammond asked for a moment of silence for the nine fire fighters who lost their lives fighting the fire in Charleston, South Carolina.

The Invocation was given by Commissioner Hammond.

The Pledge was led by Commissioner James.

Approval of Agenda

Meeting Notes

Chairman Ward said before approval of the agenda she would like Mr. Elliott to share some information with the Board. Mr. Elliott said the purpose of the meeting is to discuss the status of the AmbuMed NC, Inc. contract with Pitt County Government and the delivery of services North of the River. He said AmbuMed had put in writing they would be unable to meet the July 1, 2007 deadline. Mr. Elliott said the major issue of the contract is the performance bond.

Mr. Elliott shared with the Board the following letter that he had written to AmbuMed NC, Inc. earlier in the day:

June 22, 2007

Mr. Jacob Tchamarian
Chief Operating Officer
AmbuMed NC, Inc.
217 Elliott Dixon Rd.
Ayden, NC 28513

Dear Mr. Tchamarian:

Pitt County is in receipt of your faxed letter of June 22, 2007. After further reflection on the proposed contract amendment between Pitt County and AmbuMed NC, Inc., I am attaching a revised contract amendment.

Please be cognizant that Pitt County and AmbuMed, NC, Inc. have a valid contract in place today. As you are aware, your company first signed the contract on April 23, 2007 agreeing to all the terms and conditions thereof. Subsequent to that signing, you signed a second time (same contract) on May 18, 2007. This was done for consistency purposes. As you will recall your company had mixed up the signature pages on the first date of contract execution. At this point in time, the only reason a contract amendment is being considered is because you are unable to fulfill the contract and begin operations on July 1, 2007. This amendment process is not to modify provisions of the contract other than the start date.

It should be clearly noted and understood that Pitt County expects that all of the original provisions (other than those specified by Pitt County in the contract amendment) of our contract as entered on May 18, 2007 are still in place.

This matter will be formally presented, discussed and acted upon by the Pitt County Board of County Commissioners at their Special Called meeting. This meeting will take place tonight (Friday, June 22, 2007 at 7:00 pm). It is my understanding that you will have a representative at this meeting.

An immediate response from you in writing is requested by 6:00 pm e.s.t. today.

Sincerely,

D. Scott Elliott

8/22/2007 12:54 PM

Pitt County Manager

Attachment
Cc: Ralph Schafer

06/22/2007 08:08 8188477001

AMBUMED

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AMBUMED NC, INC. Ambulance Service

217 Elliot Dixon Road.
Ayden, NC 28513
Telephone: (818) 847-7000
Facsimile: (818) 847-7001

June 22, 2007

VIA FAX

D. Scott Elliott, County Manager
Pitt County Office of the County Manager
1717 W. 5th Street
Greenville, NC 27834-1696
Facsimile No.: (252) 830-6311

Re: Contract with Pitt County

Dear Mr. Elliott:

We have received the proposed Ambumed Contract Amendment and have the following comments regarding the terms and conditions thereof:

Paragraph 1.

With respect to paragraph 1, which imposes on Ambumed the obligation to pay certain county costs for the month of July, please add a summary of what those costs will be, the estimated amount thereof, the rates of pay for persons providing services pursuant thereto, and a reasonable cap on such costs (to protect Ambumed against the risk of unreasonable costs being incurred by the County).

Paragraph 1 should also be revised to state that for the month of July the County will use Ambumed's available paramedics, basics, and available equipped vehicle(s) to reduce costs to the County and hence to Ambumed. As we discussed, the County paramedics and basics would be paid at a time and one half multiple of their normal hourly rates for covering the affected areas, whereas Ambumed's paramedics and basics could be paid straight time for the first 40 hours of the workweek. We also would ask that during the month of July the County use any vehicle(s) Ambumed has available to reduce overall cost.

Paragraph 2.

With respect to paragraph 2, our understanding was that it would be Ambumed, rather than the County, that would bill for services during the month of July. This protects Ambumed against the risk of delayed or inadequate collection efforts. Since Ambumed may very well be

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Letter to D. Scott Elliott

June 22, 2007

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paying the County for the provision of Ambulance Service in the affected areas for the month of July, we believe equity dictates that Ambumed control collections so as to assure that they can be maximized.

Paragraph 4:

With respect to paragraph 4 (which states Ambumed shall have no authority to provide any emergency medical services in Pitt County until the County is satisfied that Ambumed has met all the terms and conditions of the contract): (1) revisions are necessary to reflect the County's use of Ambumed's paramedics, basics and vehicle(s) during the month of July; and (2) rather than a subjective "satisfaction of the county" standard an objective standard is warranted.

Paragraph 5:

With respect to paragraph 5, we once again request an objective standard to measure satisfaction as opposed to the subjective standard as now written.

Paragraph 6:

We cannot agree to paragraph 6. From the inception - in Ambumed's first proposal to the County, the method for securing Ambumed's performance was designated as a performance (surety) bond. The other methods of securing performance that you have designated are far more onerous, and never formed a part of the basis of the transaction. We ask that you remedy the present impasse by removing the language we've designated from the Ambumed-Pitt County contract so that the contract will be bondable.

Please don't hesitate to contact me directly to further discuss these issues or any other issues of concern. Thank you.

Very truly yours,

AMBUMED NC, INC.

By: Jacob Tchamian
(Chief Operating Officer)

AMBUMED NC, INC. Ambulance Service

217 Elliot Dixon Road.
Ayden, NC 28513
Telephone: (818) 847-7000
Facsimile: (818) 847-7001

June 22, 2007

VIA FAX

D. Scott Elliott, County Manager
Pitt County Office of the County Manager
1717 W. 5th Street
Greenville, NC 27834-1696
Facsimile No.: (252) 830-6311

Re: Contract with Pitt County

Dear Mr. Elliott:

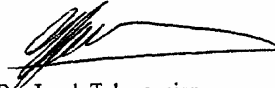
We received a letter from you with an attached document entitled Ambumed Amended Contract by fax a short while ago. Your cover letter asked me to sign it and return it to you.

Please be advised that the Amendment you sent for signature a short while ago incorporates virtually none of the revisions I requested in my letter to you this morning. Accordingly, I must respectfully decline to sign the document.

Please don't hesitate to contact me directly to further discuss these issues or any other issues of concern. Thank you.

Very truly yours,

AMBUMED NC, INC.



By: Jacob Tchamian
(Chief Operating Officer)

Mr. Elliott said it his interpretation from the correspondence between the County and AmbuMed that AmbuMed is in default of it's contractual obligations. He said his recommendation to the Board is, if a five year performance bond can not be secured to cover the entire five year period, the Board of County Commissioners should consider voiding the contract.

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Motion:

Contract between Pitt County and AmbuMed NC, Inc., should be terminated based on the fact that conditions precedent to operations that have not been met, AmbuMed, Inc., North Carolina is in default of the contract.

Motion made by Commissioner James.

Motion seconded by Commissioner Ross.

Discussion:

Vice Chairman Owens asked Mr. Elliott and Ms. Burgdorff if their recommendation was to terminate the contract between AmbuMed and Pitt County? Mr. Elliott said yes, it is his recommendation to the Board. Vice Chairman Owens asked is the County is in a posture to provide immediate service for the citizens North of the River? Mr. Elliott said based upon the verbal and written commitments the County should be able to fill the roster until the next step is decided. Mr. Elliott said AmbuMed NC, Inc., has breached the contract.

Motion passed unanimously.

Motion:

Approval of agenda

Motion made by Commissioner David Hammond.

Motion seconded by Commissioner Melvin McLawhorn.

Motion Passed Unanimously.

Chairman Ward said the Winterville EMS squad and Greenville Fire and Rescue through letters to the County have offered assistance in coverage North of the River. She said if this is in the case, it takes more than thirty days to put a plan in place. She said this is very good news and the Board appreciates the congeniality from fellow EMS people in the County and City.

Commissioner Coulson asked how the decision the Board made will affect the budget?

Motion:

Reconvene the Special EMS Study Committee (S-EMS-SC) to study the issue and bring a recommendation back to the Board of Commissioner's July 9, 2007 meeting.

Motion made by Commissioner Garris.

Motion seconded by Commissioner Coulson.

Discussion:

Commissioner Coulson agreed with the motion but said he would like to know what the effect will be on the budget. Mr. Elliott said the County is currently paying \$750,000 to cover the costs in Bethel, Pactolus and the QRV. The County was going to pay AmbuMed \$400,000 plus \$150,00 for billing and collections (compensation to be approximately \$550,000). He said there is \$200,000 difference. Mr. Elliott said the County has an EMS contingency fund of about \$380,000. He said the contingency is used for the needs of the non-profits but it can be used to off set the costs of the County's EMS operations as well. He said as a last resort the County may have to use the fund balance (General Fund) but it should not be much because of the EMS contingency fund.

Commissioner Johnson said he is concerned with taking action to bring the S-EMS-SC back. He offered an amendment that the question of how to do the work is sent to the new EMS Oversight Committee.

Commissioner Garris said he respected Commissioner Johnson and his input. He said he serves on the EMS Oversight Committee and he does not believe the committee has the level of training, knowledge or expertise to handle this decision at this time. He said the Special EMS Study Committee has spent a year and half working on this issue. They have the training and the knowledge.

Chairman Ward said the recommendation that came from the S-EMS-SC did not include a private company serving any areas in the County.

Mr. Elliott said he met with Noel Lee, Director of Emergency Management, and a roster is being developed to cover the month of July for Pactolus, Bethel and the QRV.

Mr. Noel Lee said Greg White, County EMS scheduler, is working on filling the shifts for the month of July.

Mr. Elliott said the County has received letters from City of Greenville and Winterville Rescue and E.M.S., Inc., offering to assist with any short term coverage during the month of July.

Commissioner Ross asked what has happened to the employees that were working at Pactolus and Bethel stations. Mr. Lee said some employees have quit or resigned. Commissioner Ross stated everyone who had a job before the proposed contract with AmbuMed should have an opportunity to get their jobs back. Mr. Lee said he will contact the employees.

Commissioner Hammond asked if Eastern Pines provide mutual aid to Pactolus? Mr. Lee said yes.

Commissioner McLawhorn said his major concern was coverage for citizens North of the River and he supports the motion.

Commissioner Ross stated the employees who return should not have a lapse in benefits. Mr. Elliott said in the budget adopted for 07-08 those positions were eliminated. He said as of July 1, EMS personnel can be paid an hourly rate but they would not receive benefits. Commissioner Coulson said his concern is there is no assurance those employees would get there benefits back. He said the Board should take action tonight and if that means placing the positions back in the budget this should be considered. Chairman Ward asked Commissioner Coulson was he suggesting anyone who works that was previously employed as a paramedic or EMT Basic continue to receive the same salary until the plan comes back to the Board on July 9, 2007? Commissioner Coulson said the employees need to be given that option rather than waiting for a month.

Vice Chairman Owens said the County can not allow North of the River not to have EMS service anytime. The County is going to have to fund it one way or another. He said the County Manager is in a posture to follow up on Commissioner Coulson suggestions.

Motion:

Reconvene the Special EMS Study Committee (S-EMS-SC) to study the issue and bring a recommendation back to the Board of Commissioner's July 9, 2007 meeting.

Motion made by Commissioner Garris.

Motion seconded by Commissioner Coulson.

Motion Passed Unanimously.

Mr. Elliott said if it is the Boards desire to have the current county personnel who are full time benefited employees maintain their current salary with benefits the Board will need to entertain a motion stating this.

Motion:

Allow full time equivalent within the past six months in the budget to be reinstated until the new plan is put in effect and any employee who left the County on good terms can be put back on payroll.

Motion made by Commissioner Ross.

Motion seconded by Commissioner Hammond.

Motion Passed Unanimously.

Vice Chairman Owens stated the Mr. Elliott and Ms. Burgdorff need to investigate and pursue immediately what avenues are available to collect damages from AmbuMed for breaching the contract. Vice Chairman Owens said at this point it is \$400,00.

Commissioner James thanked the City of Greenville. He said the citizens North of the River are not satisfied. He stated that Bethel needs to receive better service.

Motion:

Adjourn meeting at 7:30 pm.

Motion made by Commissioner Hammond.

Motion seconded by Commissioner McLawhorn.

Motion Passed Unanimously.

Respectfully Submitted,

Patricia A. Staton
Clerk to the Board