

## Richland County Finance and Personnel Committee

### Agenda Item Cover

**Agenda Item Name:** REC Building purchase – fund 75

<b>Department</b>	Ambulance	<b>Presented By:</b>	Darin Gudgeon
<b>Date of Meeting:</b>	6 July 2021	<b>Action Needed:</b>	Vote
<b>Disclosure:</b>	Open Session	<b>Authority:</b>	Committee Structure (D)
<b>Date submitted:</b>	2 July 2021	<b>Referred by:</b>	Joint Ambulance Committee

**Recommendation and/or action language:**

Motion to ...1) allow use of fund #75 in the purchase of the REC building and renovation for an ambulance garage and emergency management center,

2) recommend resolution of the REC building to County Board for their June 2021 meeting.

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**Background:** *(preferred one page or less with focus on options and decision points)*

**History of Project (Needs):**

Joint Ambulance began investigation of future facilities in 2018, in response to identified needs: decontamination, sleeping quarters, shower facilities, laundry facilities, limitations and safety on garage bay for rigs, kitchen facilities, storage, and sanitation concerns with jail plumbing, etc. Our current facility lacks all of the above and has impacted our ability hire and retain staff. Our full-time and part-time staff stay here at the station when on duty, and at times there are multiple crews spending the night. The facility is less than accommodating as we only have one bedroom causing us to utilize cots and blowup mattresses in the radio and records room. The lack of shower and kitchen facilities is also a detriment as staff have nowhere to properly clean themselves after a call or prepare hot meals on shifts.

A subcommittee was assembled to engage in strategic planning for the Ambulance and evaluate local external options to relocate ambulance services. The intentions of finding a new ambulance garage made its way to the County Board and the borrowing of 2.9million dollars included \$600,000 of appropriations towards an “Ambulance Garage.” The committee reviewed several locations and contracted with Jewell’s and Associates to evaluate the two most feasible options. The Richland Electric Coop (REC) Building and the Vetesnik building were assessed through funds of the appropriated \$600,000. Both buildings were assessed at over \$900,000 to acquire and renovate for ambulance purposes.

A local philanthropist approached the Joint Ambulance Committee with intentions of building an ambulance garage shell in the summer of 2020. Options of placement on Orange St and in the Industrial Park were investigated. Jewell’s and Associates were contracted to begin engineering designs and the Committee engaged with the City and County in the land lease agreement. During the engineering phase, costs of materials quickly began to rise. Discussions on wood vs. steel led to a further evaluation of materials to both build the structure and outfit the interior. The tentative response was to continue with site prep, soil boring, and engineering plans in the anticipation of leveling the site to settle a year and begin construction the following year.

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Discussions were had with members of the county board, the philanthropist and owner of REC building. The Coop proposed that they could reduce the price of the building from the initial \$550,000 down to \$350,000 (company liability costs) and our philanthropist has proposed paying \$200,000 towards the purchase of the building. Leaving the county with \$150,000 to acquire the facility.

### Financial Forecasts (Acquisition and Renovation):

Current Financial Projects (in working with Jewell) for acquisition and renovation are as follows:

Richland County Ambulance Service						
	REC					
Purchase Price	8,450	area	\$	350,000		
Donation			\$	200,000		
<b>Net Purchase Cost</b>			<b>\$</b>	<b>150,000</b>		
Site CSM				not applicable		
Electrical Generator				included		
	Area (sf)	Cost (\$/sf)				
Demolition	2,000	10	\$	20,000		
Remodeling (Office/Bedrooms)	1,000	25	\$	25,000		
Remodeling (Basement)	1,280	5	\$	6,400		
Lighting upgrades, replace shelving						
Remodeling (Report Writing/Lockers)	765	7.5	\$	5,738		
Lighting upgrades, minor remodeling						
Addition (Garage)	710	160	\$	113,600		
HVAC			\$	94,250	This number is projected less	
Plumbing (shower)		LS	\$	10,000		
Electrical			\$	31,500		
Communications	8,450	2	\$	16,900		
Sprinkler System			\$	48,756		
Water Service			\$	25,000		
Furnishings (Bedrooms)	6	2,500	\$	15,000		
Furnishings (Offices)	6	2,000	\$	12,000		
Subtotal			\$	574,144		
Contingency (omit purchase price)		15%	\$	63,622		
<b>Total</b>			<b>\$</b>	<b>637,765</b>		

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The current expenditures against Fund #75 apportionment of \$600,000 are as follows:

This leave \$61,526.38 to be covered by ambulance operations or other funding source.

### Actual Utility Expense February 2020 -January 2021

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City Utilities: electric, water, sewer, street lights and fire protection = \$12,127.00

Adjustment for the anticipated costs for sewer, street lights, water and fire protection  
 $\$68.25 \times 12 = \$819 + \$2792 = \underline{\$3,611}$  (our projected annual cost of the above utilities)

WE Energies: Natural gas = \$1273

Adjustment for additional use due to waste heat recovery that will be unavailable:  
 $\$1273 \times 1.10 = \underline{\$1,400}$  (our projection with added heat costs)

Total Utilities: \$5,011

Consideration for current EMS utility Expenses in 2021 Budget:

Lights \$2045

Heat \$550

Total \$2595

Total Increase to Utilities = \$2,416

Maintenance, custodial and ground keeping will be incorporated into full-time staff. = \$0

Snow removal will likely require a contract or agreement with city. = \$?

Administrative Costs. None foreseen = \$0

Building outlay expenses for capital improvements= \$15,000 annually.

**\*Revenues** — We currently have trouble staffing a second crew because of inability to properly house the members at the station, and reluctance of staff members to want to be on hours when the station is full. We are obligated to have the primary crew available for emergency response. By having a second crew reliably available we hope to provide much needed inter-facility transports. The estimated revenue flow is projected at \$980.00 per transfer (minimum Medicare Amount / estimated 200 additional transfers per year from Richland Hospital) = \$196,000 annually.

### Legal Concerns:

The following legal concerns need to be resolved prior to acquisition and renovation:

1. Working with corporation counsel in incorporating philanthropist donation in the offer to purchase.
2. Working with corporation counsel on title work.
3. Working with city to confirm easement and setbacks regarding bay expansion.

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#### Outstanding items remaining:

1. Awaiting the finalized roof report
2. Awaiting the final budget adjustment regarding HVAC system.

#### Petition:

The Joint Ambulance Committee (JAC) has been actively working towards securing a new facility for EMS operations and Emergency Management office space and at their May 19<sup>th</sup> meeting the committee unanimously approved a motion that the purchase of the REC building be sent to the Finance and Personnel Committee for their consideration and recommending resolution to the County Board. The committee and department feel that this item should be addressed in a timely manner as there are concerns of the building owner's and philanthropist's continued interest in the project if delays continue.

#### Continued Discussion Point:

There remains public concern of the County investing into a capital project for an ambulance service that currently does not service all municipalities.

#### Attachments and References:

Building Appraisal	Engineering Layout
Resolution Draft	

#### Financial Review:

(please check one)

<input checked="" type="checkbox"/>	In adopted budget	Fund Number	#75 and #51 operations
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input type="checkbox"/>	Other funding Source		
<input type="checkbox"/>	No financial impact		

\$637,765 plus annual increase in operations of an estimated \$17,500. Potential for increased \$196,000 in annual revenues with consideration to wages.

*(summary of current and future impacts)*

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#### Approval:

Darin Gudgeon

Department Head

#### Review:

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Administrator, or Elected Office (if applicable)