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REPORT TO HONORABLE CITY COUNCILMEMBERS

REVIEW OF LOCAL 145'S LEGAL OPINION REGARDING THE CITY OF SAN DIEGO'S  
EMERGENCY MEDICAL SERVICES PROGRAM

**INTRODUCTION**

A law firm hired by the International Association of Fire Fighters, Local 145, San Diego City Fire Fighters (Local 145) recently published an opinion regarding the City of San Diego's (City) Emergency Medical Services Program within the City Exclusive Operating Area. Our Office has reviewed the legal claims made in this document and now offers this report in response.

**QUESTION PRESENTED**

May the City provide Emergency Medical Services within the City Exclusive Operating Area without conducting a competitive process?

**SHORT ANSWERS**

Highly unlikely. A unilateral resumption of Emergency Medical Services by the City with no prior competitive bid would expose the City to significant risks because it runs contrary to both past practice and California law.

**FACTS**

The City has a contract with Rural/Metro Corporation (Rural/Metro) to provide Advanced Life Support (ALS) Emergency Medical Services (EMS) within the City's borders under a Local Emergency Medical Services Authority (LEMSA) grant of an Exclusive Operating Area (EOA). This means that Rural/Metro is allowed to be the sole ALS EMS provider operating within the City. This monopolistic practice was sanctioned by state law and approved by both the California EMS Authority (Authority) and the County of San Diego (County) established LEMSA.

The City has been attempting since 2011 to develop an EMS request for proposals (RFP) that would select a provider for a new ALS EMS contract. No request for proposals has yet been completed, so the City is currently under a non-competitively bid contract with Rural/Metro.<sup>1</sup>

In the past several months, Local 145 has requested that the City begin providing ALS EMS in-house without the use of a competitive process. Local 145's attorney sent a memorandum to City staff arguing that this would be legally permissible. Our Office now responds to Local 145's assertions.

### ANALYSIS

Local 145's memorandum contends that the City does not need to conduct a competitive bid based upon three main claims. First, Local 145 argues that the 1997 EMT-Paramedic Services Agreement (1997 Agreement) between the County and the City delegates the responsibility of running the City EOA to the City.<sup>2</sup> Second, Local 145 asserts that the City qualifies as a grandfathered city under California EMS laws and is therefore exempt from competitive bid requirements. Third, Local 145 notes that no competitive bid is needed because the City's current contract for ALS EMS with Rural/Metro was not competitively bid. We look at each claim, in turn, below.

First, however, a brief overview of California EMS law. As correctly pointed out in Local 145's memo, California has established a "two-tiered" EMS system whereby the Authority delegates power to LEMSAs so that California's EMS operations run smoothly throughout the state.<sup>3</sup> The Authority is responsible for coordinating EMS throughout California.<sup>4</sup> Its responsibilities include reviewing and approving of LEMSA plans for EMS.<sup>5</sup> LEMSAs administer the statewide EMS system at a local level.<sup>6</sup> Naturally, this system has created conflict between traditional EMS providers, such as cities and fire districts, and the Authority and LEMSAs.<sup>7</sup> This conflict revolves around how much control the Authority and LEMSAs have over individual city and fire district EMS systems.

Most of the conflict between the Authority and cities stems from two sections in the California Health and Safety Code. The first, section 1797.201 (Section 201), encourages cities to enter into agreements with counties "regarding the provision of prehospital emergency medical services for that city."<sup>8</sup> However, Section 201 allows cities who have provided prehospital EMS at a level existing since June 1, 1980, to continue to provide EMS without entering into an agreement.<sup>9</sup> Cities wishing to retain independence from the Authority seek grandfather status

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<sup>1</sup> 2011 Emergency Medical Services Agreement Between Rural/Metro of San Diego, Inc. and the City of San Diego, at p. 1 "Recitals" (2011 EMS Agreement).

<sup>2</sup> Local 145's attorney also references an EMT-Paramedic Services Agreement between the City and the County made in 1991. Throughout this response we will focus on the 1997 Agreement since it is the only Agreement still in effect.

<sup>3</sup> *County of San Bernardino v. City of San Bernardino*, 15 Cal. 4th 909, 914-18 (1997) (*San Bernardino*).

<sup>4</sup> *Id.* at 915.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at 916.

<sup>7</sup> For a classic example of this conflict, read the facts section of *San Bernardino*, pages 918-22.

<sup>8</sup> Cal. Health & Safety Code § 1797.201.

<sup>9</sup> *Id.*

under Section 201 by not changing their levels of service and by not entering into EMS agreements with their counties. The second contentious section, 1797.224 (Section 224), permits LEMSAs to create EOAs “if a competitive process is utilized to select the provider . . . of the services.”<sup>10</sup> As with Section 201, Section 224 contains an exception to the rule. Section 224 does not require a competitive process “if the [LEMSA] develops or implements a local plan that continues the use of existing providers operating within a local EMS area in the manner and scope in which the services have been provided without interruption since January 1, 1981.”<sup>11</sup> As will be seen, the validity of Local 145’s arguments largely relies on court and Authority interpretations of these two sections.

**I. THE FIRST CLAIM: THE 1997 AGREEMENT’S LANGUAGE MEANS THAT THE CITY DOES NOT NEED TO CONDUCT A COMPETITIVE BID TO AWARD A NEW EMS CONTRACT**

Local 145 construes the language of the 1997 Agreement between the City and the County of San Diego to mean that the City has the contractual authority to unilaterally resume providing in-house ALS EMS without a competitive bid. While there is some validity to Local 145’s assertion that the 1997 Agreement grants the City some authority over its ALS EMS program, it is unclear, and unlikely, that the LEMSA gave the City the power Local 145 describes in its memorandum. Local 145 appears not to have access to various correspondences between the City, the LEMSA, and the Authority which clearly contradict its claim. In addition, case law supports the view that the LEMSA would have a better claim to City EOA designation power despite the language of the 1997 Agreement.

**A. What the 1997 Agreement Says About the City EOA**

The 1997 Agreement contains vague language which Local 145 cites as support for its assertion that the City need not conduct a competitive bid. This agreement’s purpose is to “clarify[] roles and responsibilities” of the City and County of San Diego regarding Emergency Medical Technician-Paramedic Services.<sup>12</sup> In the 1997 Agreement, the City is given the responsibility to “provide EMT-Paramedic services within the boundaries of its local jurisdiction.”<sup>13</sup> The local jurisdiction contains everything within the City’s limits.<sup>14</sup> The County designates this area as an EOA.<sup>15</sup> The City “may subcontract all or a portion of these services” within this EOA.<sup>16</sup> In addition, the City also must “comply with all applicable State statutes, regulations, local standards, policies, procedures and protocols.”<sup>17</sup>

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<sup>10</sup> Cal. Health & Safety Code § 1797.224.

<sup>11</sup> *Id.*

<sup>12</sup> Agreement, EMT-Paramedic Services (1997) between the City and County of San Diego, at signature page (1997 Agreement).

<sup>13</sup> *Id.* at p. A-2, III.B.1.

<sup>14</sup> *Id.* at p. A-1, III.A.1.c.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* at p. A-2, III.B.3.

<sup>17</sup> *Id.* at p. A-3, III.B.19.

The main thrust of Local 145's argument is that the 1997 Agreement between the City and the LEMSA somehow gave the City the right to unilaterally become the sole provider of ALS EMS services within the City EOA. Local 145 claims that the 1997 Agreement proves that "the County has delegated to the City the responsibility for providing EMS services [sic] within the [EOA] comprised of the City of San Diego."<sup>18</sup> This is because of the 1997 Agreement's permissive language which creates a City EOA and then states that the City "may" subcontract for services without any mention of a competitive process. Therefore, Local 145 concludes that the 1997 Agreement constitutes a "permissive non-competitive EOA designation agreement under [Section 224]."<sup>19</sup>

However, as a one degree flight navigation error can mean the difference between you landing safely at an airport or smacking into the Sierra Nevada Mountains, this slight misunderstanding of California's EMS system on the part of Local 145 could lead the City to legal disaster. Note that at no point in the 1997 Agreement does the County mention Section 224 or its grandfathering exception. Local 145 instead assumes that the lack of such language supports its view. If we review past interactions between the City and EMS authorities, we see how risky Local 145's argument is.

#### **B. Correspondence between the City, the LEMSA, and the Authority**

Local 145's assertion fails if we examine past correspondence between the City and both the LEMSA and the State. In 2008, the City attempted to release a new EMS RFP that would require any winner to enter into a joint EMS venture with the City. The LEMSA rejected this RFP because through the joint venture plan "the City has exempted itself from the competition and has appointed itself as the EMS provider with the successful proposer."<sup>20</sup> The LEMSA concluded that "[i]n order to comply with Section [224], if the City wants to be the EMS provider they must participate in the competitive process."<sup>21</sup> Even more compelling is the Authority's 2001 response to the City's request for clarification of the competitive process requirements of EMS systems. The following exchange is illustrative:

Question: *Is the City of San Diego, as a holder of an exclusive operating area as defined in the County of San Diego Local EMS Plan, required to utilize a competitive process to select the provider of Advanced Life Support paramedic transportation services?*

Answer: According to the EMS plan on file with the EMS Authority and as stated in your letter, the City of San Diego is an exclusive operating area for ALS 911 calls and it was competitively determined. According to the Health and Safety Code . . . entities operating within

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<sup>18</sup> Local 145 Memorandum, at p. 2. The other documents Local 145 relies on in making its assertions are listed on page one of its memorandum.

<sup>19</sup> Local 145 Memorandum, at p. 5.

<sup>20</sup> Letter from County of San Diego Emergency Medical Services to City of San Diego, re: RFP 9386-09-V (October 14, 2008).

<sup>21</sup> *Id.*

the area in the same scope and manner may be granted exclusivity. This area, however, was determined by a competitive process so a competitive process will be required to maintain exclusivity.<sup>22</sup> (Original formatting retained.)

The Authority and LEMSA are of the opinion that the City must conduct a competitive process to select any ALS EMS providers operating within the City EOA. As noted by the LEMSA, this includes situations where the City wishes to provide the EMS in-house. This correspondence shows that the language of the 1997 Agreement does not delegate to the City the right to decide whether or not to conduct a competitive process within the City EOA. Rather, the City is expected to “comply with all applicable State statutes, regulations, local standards, policies, procedures and protocols,”<sup>23</sup> including Section 224’s competitive bid requirement.

### **C. The Butte County Case: What Powers Does the City Have over the City EOA?**

Case law supports the stance taken by both the LEMSA and the Authority. In *County of Butte v. Emergency Medical Services Authority, Inc.*, Butte County felt it had the right to create two LEMSAs, one which would only designate Section 224 EOAs and one which would provide all other statutory LEMSA duties.<sup>24</sup> Despite Butte County’s attempts to show the lack of express statutory language forbidding the creation of multiple LEMSAs, the court held that no division on LEMSA responsibilities was possible because the purpose of the EMS laws was to “simplify the previously haphazard regulatory system” and allowing these responsibilities to be split among different agencies was contrary to the legislature’s intent to streamline EMS.<sup>25</sup>

Much like Butte County, Local 145 argues that the 1997 Agreement gave the City powers over the City EOA akin to LEMSA powers. This includes, according to Local 145’s memorandum, the ability to designate the EOA’s sole provider.<sup>26</sup> This is an ability reserved by state law to LEMSAs by Section 224 and there is no indication the LEMSA or the Authority believe the City falls under the Section 224 grandfathering clause. As in *County of Butte*, the City’s assumption of these powers would run contrary to the EMS system’s goals of streamlining EMS because it would constitute a delegation of statutory LEMSA power. In essence, Local 145 believes the City may act as its own micro-LEMSA within the City EOA. However, the *County of Butte* case holds that such divisions of LEMSA powers may not be done.

Similar to Butte County’s attempt to divide LEMSA powers between two agencies, Local 145 argues that the County granted the City powers over the City EOA, including the power to approve who would have the right to operate within the EOA. Not only does this theory

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<sup>22</sup> Letter from the State of California Emergency Medical Services Authority to the City of San Diego (April 19, 2001); *see also* City’s Letter to the California EMS Authority, re: Competitive Procurement Requirements for EMS Systems (March 7, 2001).

<sup>23</sup> 1997 Agreement, p A-3, III.B.19.

<sup>24</sup> *County of Butte v. California Emergency Medical Services Authority*, 187 Cal. App. 4th 1175,1183-84 (2010) (*County of Butte*).

<sup>25</sup> *Id.* at 1195.

<sup>26</sup> Local 145 Memorandum, at p. 5.

contradict the court ruling in *County of Butte*, but it also runs contrary to the letters from both the LEMSA and the Authority. Given this material, it is unlikely that the LEMSA or the Authority would allow the City to begin providing EMS in-house without a competitive bid. Any unilateral moves by the City to bypass a competitive bid would risk confrontation with California EMS authorities.

## **II. THE SECOND CLAIM: THE CITY QUALIFIES FOR THE GRANDFATHERING EXCEPTION OF SECTION 224 AND THEREFORE DOES NOT NEED TO CONDUCT A COMPETITIVE PROCESS**

In support of its first claim, Local 145 also argues that the City EOA is a grandfathered Section 224 EOA and that the 1997 Agreement memorialized this fact. In addition to the LEMSA and the Authority's communications with the City, the Authority has clearly designated the City EOA as being a competitively bid EOA. Recent cases clarify the Section 224 grandfathering clause and further harm Local 145's assertion. Despite the language of the 1997 Agreement, it is highly unlikely that the City could claim that its EMS program is a Section 224 grandfathered program.

### **A. Local 145's Argument vs. Correspondence with the Authority and LEMSA**

Local 145's argument that the City has Section 224 grandfathered status rests completely on 1997 Agreement's language. Because the 1997 Agreement "designat[es] the City of San Diego as the exclusive provider in the EOA," Local 145 concludes that the 1997 Agreement is a "permissive non-competitive EOA designation agreement[] under [Section 224]." <sup>27</sup> Local 145 also heavily relies on inferences and omissions in the 1997 Agreement to reach this conclusion. <sup>28</sup> Unfortunately, Local 145 relied on an incomplete set of materials in its analysis.

Among the materials apparently not reviewed by Local 145 are several correspondences between the City, the LEMSA, and the Authority. These letters were described above in more detail, but they show that both the LEMSA and the Authority believe that the City EOA is not Section 224 grandfathered and that the City EOA must be competitively bid. <sup>29</sup> Of particular note is the following exchange in the 2001 letter to the City from the Authority:

Question: *Can the City simply decide to perform all or some of the ALS transportation services without a competitive process which includes the entire ALS transportation system?*

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<sup>27</sup> Local 145 Memorandum, at p. 5.

<sup>28</sup> Local 145 Memorandum, at p. 5. Local 145's attorney states that he came to his conclusions regarding the City's ability to take EMS in-house "by implication," and relies heavily on what the Authority and LEMSA have *not* said.

<sup>29</sup> See generally Letter from County of San Diego Emergency Medical Services to City of San Diego, re: RFP 9386-09-V (October 14, 2008); Letter from the State of California Emergency Medical Services Authority to the City of San Diego (April 19, 2001); and City's Letter to the California EMS Authority, re: Competitive Procurement Requirements for EMS Systems (March 7, 2001).

Answer: . . . [F]or an entity to qualify for exclusivity under [Section 224], without a competitive process, they must have been providing services in the same scope and manner since January 1, 1981, which does not appear to be the case here. The local EMS agency may, but is not required, to [sic] grandfather in entities that may meet those requirements. Once an area has been established via the competitive process, in order to maintain exclusivity, a competitive process would be necessary. It would appear that if the City wishes to perform transportation services in this area and be granted exclusivity, it would be necessary for them to compete in a competitive process.<sup>30</sup> (Original formatting retained.)

In this letter, the Authority states that the EOA needs a competitive process to comply with state law. It additionally affirms that the Authority does not believe the City EOA is a Section 224 exempt EOA.

Additionally, the Authority publishes a list of EMS areas and specifies whether those areas are EOAs and if they require a competitive bid.<sup>31</sup> Rather than indicate Section 224 grandfathered status, the entry for the City states that the City EOA is a competitive process EOA.<sup>32</sup> The Authority and LEMSA have consistently treated the City EOA as being an EOA requiring a competitive process.

**B. Return to Butte County: Defining a Change in Manner and Scope under Section 224**

California cases support the conclusion that the City is not grandfathered under Section 224 and therefore not exempt from a competitive process. The *County of Butte* court examined the language of Section 224's grandfathering clause in order to determine if the Authority has the power to disapprove of a Section 224 grandfathering. The court stated Section 224 allows cities to bypass the competitive process for EOAs "if the [LEMSA] develops or implements a local plan that continues the use of existing providers operating within a local EMS area in the manner and scope in which the services have been provided without interruption since January 1, 1981."<sup>33</sup> The court quoted the Authority in determining a "generally applicable interpretation of the 'manner and scope' language" in Section 224.<sup>34</sup> The Authority stated:

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<sup>30</sup> Letter from the State of California Emergency Medical Services Authority to The City of San Diego (April 19, 2001); *see also* City's Letter to the California EMS Authority, re: Competitive Procurement Requirements for EMS Systems (March 7, 2001).

<sup>31</sup> California Emergency Ambulance (Ground) Zones, EMSA Determinations as of August 27, 2013, available at the California EMS Authority website, [www.emsa.ca.gov/Media/Default/PDF/Aug2013AZS.pdf](http://www.emsa.ca.gov/Media/Default/PDF/Aug2013AZS.pdf).

<sup>32</sup> *Id.* The entry for the City is listed in the San Diego LEMSA section.

<sup>33</sup> *County of Butte*, 1200-01.

<sup>34</sup> *Id.* at 1201-02.

A change in manner and scope, defeating a county's ability to grandfather existing providers into EOAs, may occur in the following instances: (1) where there is a change in the number of providers in the area; (2) where there are interruptions in the services provided by one or more providers in the area; (3) where there is a change in the economic distribution of calls between providers in the area; (4) where there is a change of ownership of one of the providers in the area; (5) where there is a change in the geographical boundaries of the area; (6) where areas or subareas are combined or splintered; and (7) where there is an approval by a local EMS agency of a new provider in the area. A change in manner and scope will not occur in the following situations: (1) an upgrade in ambulance service from basic life support (BLS) to advanced life support (ALS); (2) the subcontracting of a grandfathered provider with another provider for minor activities within an area that does not alter the manner and scope of operations, is approved by the local EMS agency, and is part of the county's EMS plan; and (3) the response of providers into and area for mutual aid or instant aid in the event of significant events or disaster situations.<sup>35</sup>

Local 145 uses category (2) on the list of things not considered a change in manner and scope to contend that the City meets the Section 224 grandfathering provision because the City's subcontracting did not change manner and scope. However, Local 145 only quoted the first part of category (2) and left off the language about subcontracting only for "minor activities" within the EOA. It would strain credulity to say that Rural/Metro, which provides all ALS EMS transportation in the City, is contracted for minor activities.

Even less helpful to Local 145's argument are the several categories listed above by the *County of Butte* court that the Authority defines as a change in manner and scope. The City, assuming the City EOA ever qualified under the Section 224 grandfathering clause, likely would be disqualified under categories (1), (2), (4), and (7). Regarding category (1), the City has utilized a number of EMS providers. Since 1981, these providers included Medevac, Hartson Medical Services, American Medical Services, the San Diego Medical Services Enterprise (SDMSE), and Rural/Metro. The City's role has changed over time with each of these providers. For example, SDMSE had the City providing EMS alongside Rural Metro and so there were two EMS providers in the City, versus today with Rural/Metro as the sole provider. As to category (2), there have also been significant interruptions to service causing the City to take drastic actions to continue providing some level of EMS. One such interruption happened recently and led to the dissolution of SDMSE. Respecting category (4), our current EMS provider, Rural/Metro, changed ownership a few years ago when the Warburg Pincus group bought it. Finally, as to category (7), the sheer number of different City EOA EMS providers approved by the LEMSA since 1981 would disqualify the City from Section 224 grandfathered status. Any of these events would be enough to constitute a change in manner and scope using the Authority's criteria. Therefore, the

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<sup>35</sup> *Id.* at 1201.

City, even if it was a Section 224 grandfathered provider at some point in the past, likely grandfathered itself by changing the manner and scope of its EMS provision.

### C. EMS in Apple Valley: A Strikingly Similar Case

The course Local 145 is asking the City to pursue is analogous to the facts in the California Supreme Court case of *Valley Medical Transport, Inc. v. Apple Valley Fire Protection District et. al.* In that case, the Apple Valley Fire Protection District wanted to “unilaterally resume [ambulance] services and displace the County-authorized provider.”<sup>36</sup> While much of the court’s discussion focused on Section 201, the Court noted that the general policy behind the EMS laws is to bring EMS agencies together under the Authority and not to allow them to opt out at will.<sup>37</sup> In the end, the court held “nothing in either [Section 201] or [Section 224] suggests that once a city or fire district has abandoned emergency medical services and allowed another entity, pursuant to an EOA, to provide such services, it has the right to nullify the EOA by resuming control of these operations.”<sup>38</sup> Therefore, cities may not simply decide to resume their grandfathered status under Sections 201 or 224 simply because they believe they retained their grandfathered status.

Granted, there are several differences between *Valley Medical* and Local 145’s plan. In *Valley Medical*, it was clear that the Apple Valley Fire Protection District qualified as a grandfathered Section 201 and 224 EMS provider at some point.<sup>39</sup> It is not clear that the City ever qualified as either. Local 145 also bases most of its argument on Section 224, not Section 201, unlike *Valley Medical*. Differences aside, in *Valley Medical*, the California Supreme Court curtailed the power of cities and fire districts by locking them out of the Section 201 and 224 grandfathering provisions when they acted contrary to those provisions’ requirements. Likewise, a unilateral move by the City to resume a theoretical Section 224 grandfathered status would run contrary to the state streamlining policy supported by *Valley Medical*. The City’s lack of a continuous EMS provider since 1980 along with several changes in EMS manner and scope would likely keep the City out of these grandfather provisions as well.

The City cannot safely claim to be grandfathered under Section 224’s exemption from competitive bidding. The LEMSA and the Authority have never indicated that they believe the City has Section 224 grandfathered status. Instead, they have consistently labeled the City as being in an EOA requiring competitive bidding. The *County of Butte* case shows that the City has likely changed the manner and scope in which it has provided EMS in the City EOA. The *Valley Medical* case shows that cities and fire districts may not simply reassume grandfathered Section 201 or 224 powers after having given them up. Ignoring the LEMSA, the Authority, and the courts on the Section 224 issue by following Local 145’s memorandum would likely bring the City into conflict with all three entities.

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<sup>36</sup> *Valley Medical Transport, Inc. v. Apple Valley Fire Protection District et. al.*, 17 Cal. 4th 747, 750 (1998) (*Valley Medical*).

<sup>37</sup> *Id.* at 755, 760.

<sup>38</sup> *Id.* at 759.

<sup>39</sup> *Id.* at 751-52.

### **III. THE THIRD CLAIM: THE CITY IS ALREADY IN A NON-COMPETITIVE AGREEMENT WITH RURAL/METRO**

Local 145 correctly states that the City's current ALS EMS agreement with Rural/Metro was not competitively bid. The union argues that this supports its contention that the LEMSA and the Authority have indeed recognized the City as a Section 224 grandfathered provider. Still, this argument, being based on a limited universe of materials, is greatly weakened when examined in conjunction with the LEMSA and the Authority's treatment of the City.

The reason the City was able to award the ALS EMS contract with no competitive bid was because of the sudden dissolution of SDMSE in 2010.<sup>40</sup> Rural/Metro was the only ALS EMS provider who could step in and take the system over in such a short amount of time.<sup>41</sup> The LEMSA approved of this emergency plan. For similar reasons, the LEMSA approved of the current extension of the Rural/Metro contract even though there was still no competitive bid.<sup>42</sup> The assumption under both approvals was that the City needed more time to develop a competitive bid process.

Despite this recent anomaly, there has been no indication that the LEMSA or the Authority believe that the City is exempt from conducting a competitive bid in order to determine the next ALS EMS contractor. As noted under each of the above sections, the Authority considers the City EOA to be subject to Section 224's competitive bid requirements. The current agreement with Rural/Metro is of an emergency nature, and it is unlikely that the City has any similar justification to select itself as the next ALS EMS provider without a competitive bid. Therefore, Local 145's assertion that the LEMSA and the Authority recognize the City EOA as a Section 224 exempt EOA because it has not required a competitive bid on recent EMS contracts is precarious.

### **CONCLUSION**

Local 145's recommendation that the City take EMS in-house without a competitive bid is fraught with risk. Despite the vague language in the 1997 Agreement, the LEMSA and the Authority have never stated that the City is able to award a non-competitively bid contract at will. Indeed, case law supports the opposite idea of not allowing LEMSAs to split EOA designating powers away from the LEMSA. There is also no reason to believe that the City EOA would qualify as a non-competitively bid EOA under Section 224. The Authority and LEMSA have rejected this notion by telling the City to competitively award its ALS EMS contracts and by designating the City EOA as a competitively bid EOA. California cases also show that the grandfathering under Section 224 likely does not apply to the City. Local 145's assertion that the City's currently non-competitively bid contract validates its argument ignores the conditions under which that contract was awarded. Should the City decide to follow Local 145's advice and attempt to take EMS back without a competitive bid, it is this Office's opinion that the City will be exposed to significant legal risk.

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<sup>40</sup> 2011 EMS Agreement, at p. 1 "Recitals."

<sup>41</sup> *Id.*

<sup>42</sup> Letter from the County of San Diego EMS Director to the City of San Diego (May 31, 2013).

If the City desires to take ALS EMS back in-house, the option proposed by Local 145 is available, but contains legal risk. It is likely that the LEMSA and the Authority would step in and assert their statutory rights over the City EOA, and it is likely that the City would lose any ensuing litigation as courts have consistently sided with the Authority on similar issues.

An alternative option would be for the City to approach the LEMSA and the Authority to seek a new City and County ALS EMS agreement designating the City as the holder of the City EOA as defined under Section 224's grandfathering provision. This would safeguard the City from the dangers inherent in Local 145's recommended unilateral approach which eliminates the LEMSA and the Authority's involvement. However, based on this Office's research, there is no indication that the LEMSA or the Authority would exempt the City from the competitive process requirement.

A final option is to have the City participate in a competitive bid process. While this option sounds counter-intuitive, the LEMSA has a process designed for these very situations. It would involve distancing the RFP drafting from the City, and including the LEMSA to a much greater extent in determining the contract award. While unusual and potentially cumbersome, it would protect the City from the many legal snares associated with Local 145's position.

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By           /s/ Noah J. Brazier          

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