Supplemental Emergency Medical Transport (SEMT)

Revenue Appropriation Request

Worksession with the Anchorage Assembly
11/4/2022
SEMT: History, Revenue, and Requested Appropriation

- History
- Calculations/Reimbursement Process
- Revenue received:
  - 2019: $5,038,111
  - 2020: $18,782,127
- Submitted:
  - 2021 Submission: $12,991,126

AR 2022-332
1. $3,200,000 - Fire Engine Replacement
2. $3,000,000 - Fire Ladder Truck Replacement
3. $2,000,000 - Initial Down Payment for Purchase of 716 W 4th Avenue
4. $2,350,000 – Major Municipal Facility Roof Replacements
5. **$5,100,000** – Anchorage Areawide Radio Network (AWARN) System

$15,650,000
AFD Critical Apparatus Fleet Needs

- Outdated apparatus experience frequent down time and elevated operating costs
- 5 of 14 engines are beyond service life and should be in reserve status
- 2 of 4 aerials are beyond service life and should be in reserve status
- Supply chain and increased demand have increased delivery time to 30 months

Typical service life
- Front line service: 15 years
- Reserve status: 10 years
AFD Critical Apparatus Fleet Needs

- 5 engines are beyond service life and should be in reserve status
  - These have operating costs in excess of $4.00 per mile or more than 100,000 miles, or both
- Our entire reserve fleet are KME, which has gone out of business; many parts are no longer available and must be manufactured
- By 2025 4 of the 5 planned reserve fleet will exceed 150,000 miles per vehicle (2 will exceed 200,000)

| ACTIVITY | Work Orders | Rig Swap | Type     | Miles   | Cost/Mile | Bonded | In-service | 2022 Bond | 2023 Bond | 2024 Bond | 2025 Bond | 2026 Bond | 2027 Bond | 2028 Bond | 2029 Bond | 2030 Bond | 2031 Bond | 2032 Bond | 2033 Bond | 2034 Bond | 2035 Bond | 2036 Bond | 2037 Bond | 2038 Bond | 2039 Bond | 2040 Bond | 2041 Bond | 2042 Bond |
|----------|-------------|----------|----------|---------|-----------|---------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Engine 10 | 41          | 2        | KME 4WD  | 95,201  | $4.60     |         |            | 2003      | 2004      | Replace with 2022 Bond (1) |
| Engine 12 | 98          | 12       | KME 2WD  | 166,602 | $3.59     |         |            | 2006      | 2007      | Replace with 2022 Bond (2), retire apparatus due to mileage |
| Engine 11 | 53          | 12       | KME 4WD  | 96,434  | $6.31     |         |            | 2006      | 2007      | Replace with 2022 SEMT (1) |
| Engine 15 | 41          | 4        | KME 2WD  | 110,547 | $3.67     |         |            | 2006      | 2007      | Replace with 2022 SEMT (2) |
| Engine 7  | 57          | 4        | KME 2WD  | 128,697 | $3.94     |         |            | 2006      | 2007      | Replace with 2022 SEMT (3) |
| Engine 2  | 96          | 21       | KME 2WD  | 78,225  | $3.62     |         |            | 2011      | 2012      | Replace with 2023 Bond (4) |
| Engine 8  | 12          | 7        | KME 4WD  | 50,802  | $5.72     |         |            | 2011      | 2012      | Replace with 2023 Bond (5) |
| Engine 9  | 80          | 7        | KME 2WD  | 85,356  | $3.21     |         |            | 2014      | 2015      |             |
| Engine 3  | 78          | 12       | KME 2WD  | 58,611  | $2.07     |         |            | 2015      | 2016      |             |
| Engine 4  | 77          | 13       | KME 2WD  | 64,915  | $2.53     |         |            | 2015      | 2016      |             |
| Engine 6  | 118         | 15       | KME 4WD  | 66,644  | $2.10     |         |            | 2015      | 2016      |             |
| Engine 1  | 62          | 9        | Rosenbauer 2WD | 43,256 | $2.02     |         |            | 2017      | 2018      |             |
| Engine 5  | 50          | 7        | Rosenbauer 2WD | 49,692 | $1.58     |         |            | 2017      | 2018      |             |
| Engine 14 | 51          | 12       | Rosenbauer 4WD | 48,075 | $1.74     |         |            | 2017      | 2018      |             |
**AFD Critical Apparatus Fleet Needs**

- 2 aerials ("trucks") are beyond service life and should be in reserve status
  - These have excessive operating costs and/or miles
  - Replacements are expected to arrive before the end of 2022 (2020 and 2021 bonds – before build times became prolonged)
- Our other two in-service aerials (Truck 1 and 12) are within their desired service life but are our least reliable and most expensive to operate

| ACTIVITY | Type               | Work Orders | Rig Swap | Miles   | Cost/Mile | Bonded | In-service | 2022  | 2023  | 2024  | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033  | 2034  | 2035  | 2036  | 2037  | 2038  | 2039  | 2040  | 2041  | 2042  | 2043  | 2044  | 2045  | 2046  | 2047  | 2048  | 2049  | 2050  |
|----------|--------------------|-------------|----------|---------|-----------|---------|------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Truck 12 | Smeal 105' Stick  | 66          | 14       | 77,285  | $4.15     | 2009    | Replace with Bond 2023 (1) and move to reserve |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Truck 1  | Pierce 100' Tiller| 34          | 11       | 31,118  | $4.63     | 2016    | Replace with Bond 2023 (2) to standardize fleet; divest of Tiller |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Truck 5  | Rosenbauer 100' Pltfm | New in fall 2022 | | | | 2019 | 2022 | Expected in-service time Nov 2022 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Truck 3  | Rosenbauer 100' Pltfm | New in fall 2023 | | | | 2019 | 2022 | Expected in-service time Nov 2022 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
• 2018 Municipality of Anchorage, Anchorage Police Department entered into a lease agreement with ACDA for the use of the building at 716 West 4th Avenue
  - One year lease commencing on October 23, 2018, with nineteen (19) one-year extension options
  - Rent shall increase by the Consumer Price Index for All Urban Consumers Anchorage (CPI-U)

• 2019 Anchorage Police Department occupied the building and continues to use the facility as their headquarters

• Pursuant to the lease agreement section 3. Right of First Offer to Purchase. The Municipality entered into negotiations with ACDA for the purchase of the building at 716 West 4th Avenue
Current Lease Costs & Estimated Savings

Current Lease/Costs

2022 Lease Cost: $1,707,834.72 + MESA $219,755.58 = $1,927,590.30

CPI increases estimated at 8% in FY2023 and 5% thereafter

- 2023 Est. Lease Cost: $1,843,000 + MESA = $2,062,755.58
- 2024 Est. Lease Cost: $1,935,000 + MESA = $2,154,755.58
- 2025 Est. Lease Cost: $2,032,000 + MESA = $2,251,755.58
- 2026 Est. Lease Cost: $2,133,000 + MESA = $2,352,755.58

Estimated Savings

Total Projected Savings over 4 years = $2,890,022.32

Est. Annual Debt Payment – $1,483,000

- 2023 Est. Savings in 1st year $579,755.58
- 2024 Est. Savings of 2nd year $671,755.58
- 2025 Est. Savings of 3rd year $768,755.58
- 2026 Est. Savings of 4th year $869,755.58
- Projected 4-year savings = $2,890,022.32
Major Facility Roof Replacements

• Total request $2.35M

• Aging facilities: 25-30 years

• Russian Jack Greenhouse roof: $350,000

• Street Maintenance Shop roof: $1,200,000

• Fleet Heavy Equipment Shop roof: $800,000
Major Facility Roof Replacements

• **Russian Jack Greenhouse**
  1321 Lidia Selkregg Lane

• **Street Maintenance Shop**
  5701 Northwood Drive

• **Fleet Heavy Equipment Shop**
  4333 Bering Street
Russian Jack Park – Greenhouse Roof

• $350,000

• Existing roof is 27 years old

• Several leaks identified

• Water damage to structure

• Design 2023, Construction 2024
Russian Jack Park – Greenhouse Roof
Street Maintenance Shop Roof

- $1,200,000
- Building is over 35 years old
- Existing roof is polyurethane coating installed over original roof.
- Poly coating has degraded and is failing.
- Multiple leaks throughout building.
- Saturated insulation.
- Design 2023, Construction 2024
Street Maintenance Shop Roof
Fleet Heavy Equipment Maintenance Shop

- $800,000
- Existing roof is 30 years old
- Existing roof is polyurethane coating installed over original roof.
- Poly coating has degraded and is failing.
- Multiple leaks throughout building.
- Saturated insulation.
- Design is complete. Construction 2023.
Fleet Heavy Equipment Maintenance Shop