

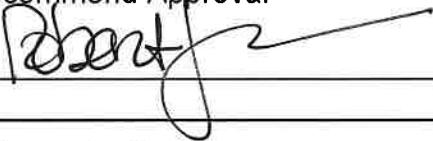
Action Memorandum No. 2022-03

**Subject:**

Authorize the City Manager to enter into an Equipment Use Agreement with BBAHC to lease a city owned ambulance

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City Manager: Recommend Approval

Signature: 

Fiscal Note:  Yes  No

Funds Available:  Yes  No

**Other Attachments:**

- MOU
- Equipment Use Agreement

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**Summary Statement:**

The Bristol Bay Area Health Corporation's ambulance is inoperable and repairs are not feasible.

BBAHC has a need for an ambulance to convey patients for air transports. The City of Dillingham has an ambulance available that will allow BBAHC accomplish this non-emergency role.

To address the immediate needs of BBAHC the City of Dillingham entered into a short term Memorandum of Understanding to allow use of the ambulance through May 15, 2022. The lease agreement addresses longer term use of the ambulance and associated equipment.

Action Memorandum No. 2022-03

Summary Statement continued:

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PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council  
on May 5, 2022.

  
Mayor

ATTEST:

[SEAL]



City Clerk

Route to	Department Head	Date
	Finance Director	
	Public Works Director	
X	City Clerk	

**MEMORANDUM OF UNDERSTANDING**  
**Between**  
**Bristol Bay Area Health Corporation and the City of Dillingham**

This Memorandum of Understanding ("MOU") is made and entered into by and between the Bristol Bay Area Health Corporation (herein referred to as BBAHC) and the City of Dillingham (herein referred to as City).

- 1. Purpose**
  - a. The purpose of this MOU is to allow the City to loan one ambulance and associated equipment (at no charge) to the BBAHC, while a long-term lease for the same vehicle is negotiated.
  
- 2. Ownership of Ambulance and Associated Equipment/Materials**
  - a. The City will maintain ownership of the ambulance.
  - b. The City shall maintain ownership of all associated, non-consumable, equipment and materials provided to the BBAHC with this vehicle.
  
- 3. Vehicle / Equipment Descriptions**
  - a. The vehicle under consideration is a 2004 Ford F350 XLT super-duty wheeled coach (VIN 1FDWF37P54EC79995) with approximately 24,410 miles on the odometer.
  - b. The associated equipment being loaned as a part of this arrangement includes the installed emergency communications radio, one Stryker Power Pro XT gurney with one battery, and a Zoll X- series monitor.
  
- 4. Responsibilities of the City**
  - a. Execute the MOU.
  - b. The City shall title, tag and maintain current insurance coverage, as a part of the City's municipal insurance program.
  - c. Loan the ambulance and associated equipment, materials and supplies to the BBAHC in good repair and in good-working order.
  - d. Perform major repairs (MR) of \$1,000 or more.
  - e. Develop a proposed long-term lease for consideration by the Bristol Bay Area Health Corporation Board and the Mayor and City Council of Dillingham.
  
- 5. Responsibilities of the BBAHC**
  - a. Execute the MOU.
  - b. Work with the City Administration to negotiate and execute a long-term lease for the same vehicle.
  - c. As a condition precedent to the temporary transfer of possession of the ambulance to the BBAHC, the BBAHC shall provide the City proof of the following insurance coverages:
    - I. General Liability. Such coverages with a minimum combined single limit of liability per occurrence for death or bodily injury and property damage of \$1,000,000.00 per person with a minimum combined limit of \$2,000,000.00 for any one incident, injury or occurrence.
    - II. Automobile Liability Insurance. A minimum combined single limit of liability per incident of \$1,000,000.00 for death, bodily injury or property damage. This insurance must demonstrate coverage for owned, hired and non-owned vehicles.
    - III. The City shall be named as an "Additional Insured" on all such coverages.

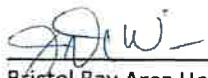
- d. House the ambulance
- e. Obtain any required permitting and other necessary steps to place the unit in service, under their care and operation. Manage the scheduling and operation of the ambulance
- f. Ensure that all vehicle operators possess and maintain a valid Alaska issued driver's license and any other required operator licenses that may be necessary to operate this emergency vehicle. These operators MUST also be covered by the vehicle insurance policy held by the BBAHC.
- g. Perform preventative maintenance (PM) and minor repairs (PM) of \$999 or less.
- h. Provide and Replace any required disposable equipment and supplies
- i. When obligations covered under this MOU have been met, the unit shall be returned to the City in good, clean condition, with a full tank of fuel.
- j. Correcting any deficiencies found upon return of the vehicle, shall be the responsibility of the BBAHC. (I.e. returned with obviously low oil)
- k. Any repairs required found due to misuse, abuse, or negligence, shall be the full responsibility of BBAHC.

**6. Hold Harmless**

- a. To the fullest extent permitted by law, BBAHC shall indemnify, defend and hold harmless City and its agents and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney's fees arising out of or resulting from the use of the Equipment, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury or destruction of tangible property (other than the work itself), including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of BBAHC, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts they be liable, regardless of whether or not it is caused by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity, which would otherwise exist as to any party or person, described herein. In any and all claims against BBAHC or its agents or employees by any employee of BBAHC, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for BBAHC or any subcontractor under workers' compensation acts, disability benefits acts or other employee benefits acts.

**7. Execution, Amendment and Termination**

- a. This MOU shall remain in effect through May 15, 2022, or when the BBAHC and the City consider and take final action on a proposed long-term lease for the same vehicle, whichever occurs first.
- b. This MOU may be amended, as needed, by mutual agreement in writing.
- c. This MOU shall terminate with the execution of a long-term lease for the same vehicle or may be terminated by either party with a 14-day written notice.

  
 Bristol Bay Area Health Corporation  
 Interim Chief Operations Officer  
 Title for CEO - Robert Clark  
 3.28.22  
 Date

  
 City of Dillingham  
 City Manager  
 Title  
 3/30/2022  
 Date

**CITY OF DILLINGHAM**  
**EQUIPMENT USE AGREEMENT**

This Agreement is made between the City of Dillingham, P.O. Box 889, Dillingham, Alaska 99576, hereinafter referred to as “City” and Bristol Bay Area Health Corporation, a corporation, 6000 Kanakanak Rd, Dillingham, AK 99576, hereinafter referred to as “Lessee”.

It is stipulated by the parties that the purpose of this Agreement is to provide Lessee with use of an ambulance owned by City.

In exchange for the use of City’s 2004 Ford F350 XLT super duty wheeled coach (Vin 1FDWF37P54EC79995, the existing radio it contains, One Stryker Power Pro XT gurney with one battery and a Zoll X series monitor (hereinafter collectively referred to as “Equipment” and associated supplies) the parties agree as follows:

**Section I**  
**Lease Rate, Maintenance and Fuel**

A. Lessee shall pay City a monthly rate of one thousand two hundred dollars (\$1,200) for use of the Equipment. Rent is due on or before the fifteenth day of each month, beginning May 15, 2022.

B. Lessee shall pay for all maintenance, additional equipment and repairs needed during the lease period not to exceed ten thousand dollars (\$10,000), provided, however that if the expense of said repairs exceeds \$10,000 because of Lessee’s failure to maintain the Equipment or improper use of the Equipment Lessee shall be responsible for the total cost of maintenance and repairs required because of said failure to maintain or misuse of the Equipment.

C. Lessee shall pay the total cost of repair of any accidental damage to the Equipment incurred during the lease term.

D. Lessee shall return the Equipment in the same or better condition as it was at the commencement of the lease term reasonable wear and tear excepted. This includes replacing all supplies whose “use by” date expires during the term of the Lease or that have been used during the Lease term. The parties shall agree on the supply inventory provided with the Equipment before the commencement of the term of the Lease.

E. Lessee shall provide City copies of weekly maintenance check sheets for the leased vehicle to include oil and fluid levels. Lessee shall provide maintenance and supply fluids as needed if found deficient on weekly checks.

F. Lessee shall provide records of full service of the leased vehicle after every 3000 miles of use.

## **Section II Insurance**

Lessee shall provide proof of commercial general liability insurance and comprehensive motor vehicle insurance with limits reasonably acceptable to City prior to commencement of the term of this Lease. Lessee shall maintain all coverage for the entire lease term. City shall be named as an additional insured as its interests may appear on Lessee's commercial general liability policy.

## **Section III Duration of Use of Equipment**

A. The parties agree that Lessee may use the above-referenced Equipment for a period of one (1) year commencing May 15, 2022 and ending May 14, 2023. City reserves the right to terminate this Agreement under the following conditions.

1. One of the City's remaining ambulances becomes inoperable for a period of seven (7) consecutive days.
2. The occurrence of a catastrophic event requiring City use of more than two (2) ambulances for immediate response.
3. Violation of the terms of the Lease by Lessee.

B. Termination under Section III(A)(3) shall be preceded by written notice to Lessee of the violation. If the violation cannot be remedied or is not remedied within (10) days of the date of the notice the Lease shall terminate and Lessee shall return the Equipment to City on the date specified in the notice of termination.

C. Termination under Section III(A)(1) shall occur three (3) days after the date of written notice to Lessee of City's need for the Equipment.

D. Termination under Section III(A)(2) shall occur immediately upon City providing oral notice to Lessee. The City shall be entitled to immediate possession of the Equipment.

E. Lessee's obligations under Sections I(C), I(D) and IV shall survive termination or expiration of the Lease.

## **Section IV Hold Harmless**

To the fullest extent permitted by law, Lessee shall indemnify, defend and hold harmless City and its agents and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney's fees arising out of or resulting from the use of the Equipment, provided that any such claim, damage, loss or expense (1) is attributable to bodily

injury, sickness, disease or death, or to injury or destruction of tangible property (other than the work itself), including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of Lessee, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts they be liable, regardless of whether or not it is caused by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity, which would otherwise exist as to any party or person, described herein. In any and all claims against Lessee or its agents or employees by any employee of Lessee, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Lessee or any subcontractor under workers' compensation acts, disability benefits acts or other employee benefits acts.

**Section V  
Modifications to Equipment**

Lessee may install a base unit for Stryker power lift gurney. Installation must be done by certified Stryker installer. All other modifications to the Equipment or installations of additional equipment require advance approval of City's Fire Department.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

CITY OF DILLINGHAM

BY: \_\_\_\_\_  
Robert Mawson  
ITS: City Manager

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

BRISTOL BAY AREA HEALTH CORPORATION

BY: \_\_\_\_\_  
\_\_\_\_\_  
ITS: \_\_\_\_\_