



STAFF REPORT ACTION REQUIRED

Donation of Decommissioned Ambulances

Date:	November 15, 2007
To:	Community Development and Recreation Committee
From:	Bruce K. Farr, Chief / General Manager, Toronto EMS
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to seek Council approval for Toronto Emergency Medical Services to be authorized to donate two decommissioned ambulances, one ambulance to the City of Soyapango, El Salvador at no cost, and one ambulance to the country of Uruguay for a nominal fee of \$5,000.

The Toronto EMS ambulance life-cycle process results in the replacement of thirty ambulances on an annual basis. Many of these vehicles have a number of years of service still available for purposes other than emergency response. Toronto EMS is seeking Council's approval to donate two of its decommissioned ambulances to countries for use in humanitarian purposes. The overall value of the benefit to these countries will far surpass the relative market value of the revenues received by the City through the normal auction disposal process.

RECOMMENDATIONS

The Chief and General Manager, Emergency Medical Services recommends that:

1. Toronto EMS be authorized to donate two of its decommissioned ambulances, vehicles that would normally go to auction, to the City of Soyapango, El Salvador, without cost, and to the country of Uruguay, for a nominal sum of \$5,000, respectively.

Financial Impact

Each decommissioned ambulance sold at the City's public auction normally generates revenues averaging between \$6,000 to \$10,000 per vehicle. These revenues (auction proceeds) are deposited in EMS' Vehicle Reserve to partially offset the costs to replace an estimated 30 ambulances per year. The Vehicle Reserve is funded from a yearly contribution from the operating budget of \$3.635 million that is cost shared at 50% by the Province and 50% by the City.

Other than the loss of auction revenues (offset by a nominal fee of \$5,000 from the Country of Uruguay), there will be no other financial impact involved with this donation. Each country will be responsible for all preparation and shipping costs, and the City of Toronto will have no liability for their operation or condition once the vehicles leave City property.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

This report comes as a result of requests from the City of Soyapango, El Salvador, and the government of Uruguay for the acquisition of available decommissioned ambulance vehicles.

ISSUE BACKGROUND

Toronto EMS operates with a 54-month ambulance vehicle replacement program, which is in accordance with the criteria for ambulance life-cycle replacement defined by the Ministry of Health and Long-Term Care (MOHLTC). Based on this cycle, Toronto EMS replaces 30 ambulances each year. Earlier model ambulances which are retired at the end of their expected life cycle are generally designated for auction or reassigned to lesser demanding administrative functions within the Division. Vehicles sent to auction normally generate revenues ranging, on average, in the area of \$6,000 to \$10,000 per vehicle, depending on the model and condition.

Each year, Toronto EMS receives requests from various charitable organizations, agencies or governments for the donation of earlier model ambulances to be used for charitable or humanitarian purposes. In the past, with Council approval, Toronto EMS has donated vehicles to such organizations as the Children's Breakfast Club, St. John Ambulance, and the government of Grenada.

This year, Toronto EMS has received two requests for decommissioned ambulances, one from the City of Soyapango in El Salvador, and one from the Government of Uruguay. It is the desire of Toronto EMS to honour these requests, for humanitarian purposes.

The City of Toronto Legal Division advises that, based on the Toronto Municipal Code, Chapter 195, Purchasing, materials or equipment which are deemed surplus to divisional or corporate requirements may be disposed of (1) by public auction or solicitation deemed appropriate by the Chief Purchasing Official in the circumstances, or (2) by way of trade-in at fair market value as part of the acquisition of other materials or equipment, or (3) as Council may otherwise authorize.

COMMENTS

Many of the Toronto EMS ambulances which have reached the end of their normal life cycle remain safe and suitable for purposes other than emergency response. During every annual replacement cycle, as many as two to three ambulances are designated to replace previously decommissioned vehicles within the EMS Division. These vehicles are used for activities such as facility maintenance, equipment retrieval and administrative support. This cycling process provides for economies through the replacement of service vehicles with earlier model ambulances deemed suitable to perform these types of functions. The older, but replaced, service vehicles are then sent to auction.

Similarly, through the Purchase of Services Agreement with St. John Ambulance, St. John has the first right of refusal on vehicles that have been decommissioned and designated for auction. St. John normally purchases or leases three to five vehicles a year for replacement of the St. John fleet, which has assisted them in improving the condition and reliability of their service units. As above, the remaining St. John Ambulance vehicles are then also scheduled for auction.

Of the remaining ambulances that go to auction, some still hold potential for use as emergency vehicles in other areas of the world, where access to the same qualitative levels of health care enjoyed here in Canada is not available, and where vehicle life-cycle practices are less stringent.

Toronto EMS regularly receives requests from third world countries looking to utilize earlier model ambulances to support almost non-existent emergency medical services. In most situations, requests are for one or two vehicles at a time. Many of these regions would be greatly advantaged by the acquisition of decommissioned vehicles, and in relative terms their value would be far in excess of any revenues that might be realized by the City through the City auction process.

Toronto EMS supports and recommends the donation of earlier model ambulances to charitable organizations and agencies supporting both local and international humanitarian efforts. The benefits of such donations in circumstances such as those experienced in third world situations are tremendous, and would reflect the City's commitment to assisting the less fortunate.

Toronto EMS currently has a request from the City of Soyapango in El Salvador, and from Uruguay, for the donation of one decommissioned ambulance which, if approved, would be shipped to the respective countries this year. Each country would be wholly responsible for all preparation and shipping costs, and the City of Toronto would assume no liability for their operation or condition once they leave City property. The only cost to the City would be approximately \$7000 to \$10,000 in revenue it would normally receive for the ambulances through the City auction. While higher auction amounts might be available, Toronto EMS would ensure the donations are of early model and high mileage condition vehicles.

The City of Toronto has a partnership agreement with the City of Soyapango, El Salvador, through the Federation of Canadian Municipalities. Soyapango is a new city of approximately 600,000, which has developed following civil war in that country. There are currently no formal emergency medical services in the City, and the ambulance donation, if approved, will be accompanied by surplus City of Toronto computers, school supplies, food supplies, and medical supplies and equipment.

The Uruguay request is similar as far as the anticipated use of the ambulance. Representatives of the government advise they are in serious need of an ambulance similar to those used in Toronto for the purposes of creating a mobile clinic/medical unit in order to access citizens in remote areas of the country.

Toronto EMS has requested a nominal contribution of \$5000 from the government of Uruguay to offset some of the lost auction revenue for the ambulance, and to establish a baseline standard against which future similar donation requests can be considered (the purpose of this is to avoid straight no-cost donation requests; the no-cost donation of an ambulance to Soyapango, El Salvador, if approved by Council, will be extended based on its unique relationship with the City of Toronto through the Federation of Canadian Municipalities).

The Ministry of Health and Long Term Care provides shared funding for the overall Toronto EMS budget, but has expressed no concerns about Toronto EMS's undertaking this type of donation.

CONTACT

Wayne Vibert, Deputy Chief

Phone: 416-392-2205 Fax: 416-392-2057

wwibert@toronto.ca

SIGNATURE

Bruce K. Farr
Chief / General Manager
Toronto EMS