

OFFICE OF THE COUNTY ADMINISTRATOR

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September 11, 2023

To: County Board of Supervisors

From: Mahesh Sharma, Scott County Administrator
David Farmer, Director of Budget and Administrative Services

RE: Memorandum of Understanding between MEDIC EMS and MEDIC EMS of Scott County

The MEDIC EMS of Scott County transition team is recommending approval of the memorandum of understanding between the County and MEDIC EMS. The memorandum sets forth Scott County's desire to assume the assets and operations of MEDIC EMS beginning January 1, 2024 and MEDIC EMS desires to transfer its assets and operations to Scott County. Additionally MEDIC EMS will plan for dissolution on or about January 1, 2024.

The agreement is the first of two key agreements to transfer assets and any liabilities to the County. The second agreement is an "Asset Purchase Agreement" that will detail specifics of the assets, liabilities, and respective reconciliations of balances as of January 1, 2024. This agreement should come to the respective boards in October or November.

Significant considerations of the agreement include the assets are for public purpose, MEDIC EMS employees are to become Scott County Employees, the transaction is not contingent on GEMT funding, MEDIC EMS may appoint the County as sole member of MEDIC EMS to wind down the affairs of MEDIC EMS.

Cris Kuhn of Dorsey & Whitney LLP will be available to discuss any questions of the proposed MOU.

CC:

Paul Andorf, MEDIC EMS of Scott County Director
Cris Kuhn, Partner, Dorsey & Whitney LLP
Vanessa Wierman, Human Resources Director
Amy Thoreson, County Health Director
Linda Frederiksen, MEDIC EMS Director
Dave Donovan, SECC Director
Matt Hirst, Information Technology Director
Tammy Speidel, Facilities and Support Services Director

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made by and between **MEDIC EMS**, an Iowa nonprofit corporation (“MEDIC”) and the **DEPARTMENT OF MEDIC EMS, a department of Scott County Iowa** (“Department of MEDIC EMS”) (each of whom are referred to as “Party” and collectively as “Parties”) to be effective the date that the last Party adopts this document as set forth below:

WITNESSETH

WHEREAS, MEDIC is a duly organized and licensed nonprofit tax-exempt 501(c)(3) corporation consisting of assets and an assembled a team of caring and altruistic Emergency Medical Service professionals providing both emergency and non-emergency ambulance transportation, dispatching, and electronic patient care record hosting.

WHEREAS, since September 1, 1982 Scott County, Iowa (“Scott County”) and MEDIC have partnered to ensure the availability of emergency medical services and Scott County has, at various times, subsidized MEDIC’s operations.

WHEREAS, the Parties have determined the provision of emergency medical services in the geographic area served by MEDIC must be a governmental unit and that Scott County is the logical governmental unit to perform such services, and to that end, Scott County has created the Department of MEDIC EMS, as a separate department.

WHEREAS, Scott County desires to assume the assets and operations of MEDIC beginning on January 1, 2024 and MEDIC desires to transfer its assets and operations to Scott County pursuant to an asset and operations transfer agreement (the “Asset Transfer Agreement”), and a Plan of Dissolution resulting in the dissolution of MEDIC on or about January 1, 2024 (hereafter referred to as the “Consolidation”).

NOW, THEREFORE, in consideration of the foregoing, the Parties hereby set forth their mutual understandings as follows:

1. EFFECTIVE DATE.

The Parties intend for the Consolidation to be effective starting on January 1, 2024 (hereafter referred to as the “Effective Date”) and agree that either party may propose a different Effective Date provided there is a good faith and reasonable basis to make such change.

2. MEDIC PLAN OF DISSOLUTION AND ARTICLES OF DISSOLUTION.

MEDIC must adopt a Plan of Dissolution before the Effective Date and file Articles of Dissolution within a reasonable time after the Effective Date.

3. TRANSFER OF ASSETS AND OPERATIONS.

As part of the Plan of Dissolution, MEDIC will transfer assets and operations to the Department of Medic EMS on the Effective Date pursuant to the Asset Transfer Agreement; provided, however, the Parties will make provision for MEDIC to hold or access funds as set forth in the Asset Transfer Agreement to enable MEDIC to wind up its affairs after filing Articles of Dissolution after which all remaining funds, if any, will be transferred to the Department of MEDIC EMS.

4. PARTIAL ASSUMPTION OF LIABILITIES; ASSIGNMENT OF CONTRACT

Department of MEDIC EMS will not assume any liabilities or contracts of MEDIC unless the Parties execute a subsequent and written instrument in which Department of MEDIC EMS agrees to assume a specifically identified liability or contract of MEDIC. The Parties agree to work diligently to identify contracts to be assigned as provided in the Asset Transfer Agreement.

5. ASSETS MUST BE USED FOR PUBLIC PURPOSE.

Scott County agrees that as a governmental unit within the state of Iowa it will use all the assets and resources it receives from MEDIC solely for public purposes.

6. MEDIC EMPLOYEES TO BECOME SCOTT COUNTY EMPLOYEES.

Department of MEDIC EMS intends to employ all qualifying employees of MEDIC who are MEDIC employees as of December 31, 2023, and agrees to work diligently with MEDIC to effectuate the transition of all qualifying employees of MEDIC to the Department of Medic EMS as of the Effective Date or a mutually agreeable date.

7. TRANSACTION NOT CONTINGENT ON GEMT FUNDING.

The Consolidation outlined herein is not contingent upon Scott County obtaining funding from the Ground Emergency Medical Transportation (GEMT) Program.

8. COMPLETE AGREEMENT.

This Memorandum of Understanding constitutes the entire expression of the mutual understanding and present intentions of the Parties and supersedes all other documents and understandings, oral or in writing, with respect to the subject matters contained herein,

IN WITNESS WHEREOF, this Memorandum of Understanding is adopted by each of the foregoing Parties on the date affixed below:

MEDIC EMS

DEPARTMENT OF MEDIC EMS

Robert Frieden, Board Chair

Dated _____, 2023

Ken Beck, Chair, Scott County Board of Supervisors

Dated _____, 2023

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

SEPTEMBER 28, 2023

APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN MEDIC EMS,
AN IOWA NONPROFIT CORPORATION AND MEDIC EMS OF SCOTT COUNTY, A
DEPARTMENT OF SCOTT COUNTY, IOWA

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. Scott County is in support of MEDIC EMS as an emergency medical services provider within Scott County.

Section 2. The MEDIC EMS Governing Board has requested that Scott County receive its assets and liabilities as part of a new department of the County.

Section 3. The county agrees to receive the assets, liabilities, and employees and begin emergency medical services on or about January 1, 2024.

Section 4. The Board Chair is authorized to sign the agreement and successor Asset Transfer Agreement on behalf of the County Board.

Section 4. This resolution shall take effect immediately.