



ORANGE COUNTY FIRE AUTHORITY

AGENDA

BOARD OF DIRECTORS REGULAR MEETING
Thursday, May 26, 2016
6:00 P.M.

Regional Fire Operations and Training Center
Board Room
1 Fire Authority Road
Irvine, CA 92602

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action or discussion shall be taken on any item not appearing on the following Agenda. Unless legally privileged, all supporting documents, including staff reports, and any writings or documents provided to a majority of the Board of Directors after the posting of this agenda are available for review at the Orange County Fire Authority Regional Fire Operations & Training Center, 1 Fire Authority Road, Irvine, CA 92602 or you may contact Sherry A.F. Wentz, Clerk of the Authority, at (714) 573-6040 Monday through Thursday, and every other Friday from 8 a.m. to 5 p.m. and available online at <http://www.ocfa.org>

If you wish to speak before the Fire Authority Board, please complete a Speaker Form identifying which item(s) you wish to address. Please return the completed form to the Clerk of the Authority prior to being heard before the Board. Speaker Forms are available at the counters of both entryways of the Board Room.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Clerk of the Authority at (714) 573-6040.

CALL TO ORDER

INVOCATION by OCFA Chaplain Harry Robinson

PLEDGE OF ALLEGIANCE by Director Steggell

ROLL CALL

PRESENTATIONS

1. Requests for Commendations and Proclamations

Submitted by: Sherry Wentz, Clerk of the Authority

- A. Presentation of Certificate of Achievement to the Business Services Department – Finance Division, Orange County Fire Authority for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its Comprehensive Annual Financial Report (CAFR)

Recommended Action:

Approve requests as submitted and make presentations to those present.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR

REPORT FROM THE CLAIMS SETTLEMENT COMMITTEE CHAIR

REPORT FROM THE FIRE CHIEF

PUBLIC COMMENTS – PUBLIC SESSION

Resolution No. 97-024 established rules of decorum for public meetings held by the Orange County Fire Authority. Resolution No. 97-024 is available from the Clerk of the Authority.

Any member of the public may address the Board on items within the Board's subject matter jurisdiction but which are not listed on this agenda during PUBLIC COMMENTS. However, no action may be taken on matters that are not part of the posted agenda. We request comments made on the agenda be made at the time the item is considered and that comments be limited to three minutes per person. Please address your comments to the Board as a whole, and do not engage in dialogue with individual Board Members, Authority staff, or members of the audience.

The Agenda and Minutes are now available through the Internet at www.ocfa.org. You can access upcoming agendas on the Monday before the meeting. The minutes are the official record of the meeting and are scheduled for approval at the next regular Board of Directors meeting.

2. MINUTES

A. Minutes from the April 28, 2016, Regular Board of Directors Meeting

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

3. CONSENT CALENDAR

A. Proposed Purchasing Ordinance – Second Reading

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Budget and Finance Committee Recommendation: *APPROVE*

Board of Directors First Reading: *APPROVE*

Recommended Actions:

1. Waive the full reading of the proposed Ordinance.
2. Adopt and read by title only proposed Ordinance No. 008 entitled AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY FIRE AUTHORITY REPEALING ORDINANCE NO. 006 AND ORDINANCE NO. 007 AND ESTABLISHING THE PURCHASING RULES AND PROCEDURES OF THE ORANGE COUNTY FIRE AUTHORITY establishing a comprehensive procurement ordinance.

B. Coverage of Volunteers under the OCFA Self-Insured Workers' Compensation Program

Submitted by: Brian Young, Assistant Chief/Organizational Planning Department

Human Resources Committee Recommendation: *APPROVE*

Recommended Actions:

1. Rescind Resolution No. 2012-08 in its entirety.
2. Adopt the proposed Resolution entitled: A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE INCLUSION OF VOLUNTEERS WITHIN ITS WORKERS' COMPENSATION INSURANCE PROGRAM to provide workers' compensation coverage to volunteers under the OCFA's self-insured and excess workers' compensation program.

C. Secured Fire Protection Agreement for Public Storage (Irvine)

Submitted by: Brian Young, Assistant Chief/Organizational Planning Department

Recommended Actions:

1. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreement with PS Southern California One related to the Public Storage Project, Irvine.
2. Direct the Clerk of the Authority to record the Secured Fire Protection Agreement in the Official Records of the County of Orange, and furnish the developer a copy of the conformed document within fifteen days of recordation.

4. PUBLIC HEARING(S)**A. Review and Approval of the Fiscal Year 2016/17 Proposed Budget**

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Capital Improvement Program Ad Hoc Committee Recommendation: *APPROVE*

City Managers' Budget and Finance Committee Recommendation: *APPROVE*

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Conduct the Public Hearing.
2. Adopt the submitted FY 2016/17 Proposed Budget.
3. Adopt proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS ADOPTING AND APPROVING THE APPROPRIATIONS BUDGET FOR THE ORANGE COUNTY FIRE AUTHORITY FOR FISCAL YEAR 2016/17.
4. Approve and authorize the temporary transfer of up to \$45.6 million to the General Fund (Fund 121) from the following Capital Improvement Program (CIP) Funds to cover a projected temporary cash flow shortfall for FY 2016/17 due to timing differences between the receipt of tax revenues and the payment of expenditures:
 - Fund 123 Fire Stations and Facilities - \$14.0 million
 - Fund 124 Communications and Information Systems - \$13.3 million
 - Fund 133 Fire Apparatus - \$18.3 million
5. Approve and authorize the repayment of \$45.6 million borrowed funds from Fund 121 to the above CIP Funds, along with interest, when General Fund revenues become available in FY 2016/17.
6. Approve and authorize a FY 2015/16 budget adjustment to increase General Fund revenues by \$266,787 and decrease appropriations by \$8,033,620.

5. DISCUSSION CALENDAR**A. Fiscal Year 2014/15 Backfill/Overtime and Calendar Year 2015 Total Earnings/Compensation Analysis**

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Direct staff to continue working towards an ability to fill permanent vacancies (exceeding those required by MOU) as quickly as possible after the positions become vacant.
2. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.

B. 2016 Equity Ad Hoc Committee

Submitted by: Jeff Bowman, Fire Chief

Recommended Action:

Approve the formation of a 2016 Equity Ad Hoc Committee, with membership to be determined by the OCFA Board Chair.

BOARD MEMBER COMMENTS

PUBLIC COMMENTS – CLOSED SESSION

At this time, any member of the public may address the Board on items listed under Closed Session. Comments are limited to three minutes per person. Please address your comments to the Board as a whole, and do not engage in dialogue with individual Board Members, Authority staff, or members of the audience.

CLOSED SESSION

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

Employee Organizations: Orange County Professional Firefighters' Association,
Local 3631; Chief Officers Association, and
Unrepresented Employees

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Fire Chief Jeff Bowman

Employee Organizations: Unrepresented Employees

Authority: Government Code Section 54957.6

CS3. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(b) – Significant Exposure to
Litigation (2 cases)

CLOSED SESSION REPORT

ADJOURNMENT - The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, June 23, 2016, at 6:00 p.m.

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted in the lobby, front gate public display case, and website of the Orange County Fire Authority, Regional Fire Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 19th day of May 2016.

Sherry A.F. Wentz, CMC
Clerk of the Authority

UPCOMING MEETINGS:

Human Resources Committee Special Meeting

Tuesday, June 7, 2016, 12:00 noon

Budget and Finance Committee Meeting

Wednesday, June 8, 2016, 12:00 noon

Claims Settlement Committee Meeting

Thursday, June 23, 2016, 5:00 p.m.

Executive Committee Meeting

Thursday, June 23, 2016, 5:30 p.m.

Board of Directors Meeting

Thursday, June 23, 2016, 6:00 p.m.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 1A
Presentations

There are no written materials in connection with
this evening's presentation.

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Board of Directors Regular Meeting
Thursday, April 28, 2016
6:00 P.M.**

**Regional Fire Operations and Training Center Board Room
1 Fire Authority Road
Irvine, CA 92602-0125**

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Board of Directors was called to order on April 28, 2016, at 6:01 p.m. by Chair Hernandez.

INVOCATION

Chaplain Jeff Hetschel offered the invocation.

PLEDGE OF ALLEGIANCE

Director Sedgwick led the Assembly in the Pledge of Allegiance to the Flag.

The musical group the Overtones from the Orange County School of Arts provided a special performance of the National Anthem.

ROLL CALL

Angelica Amezcua, Santa Ana
Lisa Bartlett, County of Orange
Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Jeffrey Lalloway, Irvine
John Perry, San Juan Capistrano
Ed Sachs, Mission Viejo
David Shawver, Stanton
Todd Spitzer, County of Orange
Elizabeth Swift, Buena Park
Phillip Tsunoda, Aliso Viejo

Robert Baker, San Clemente
Craig Green, Placentia
Noel Hatch, Laguna Woods
Robert Johnson, Cypress
Jerry McCloskey, Laguna Niguel
Dwight Robinson, Lake Forest
Don Sedgwick, Laguna Hills
David Sloan, Seal Beach
Michele Steggell, La Palma
Tri Ta, Westminster

Absent: Rick Barnett, Villa Park
Joseph Muller, Dana Point

Carol Gamble, Rancho Santa Margarita
Al Murray, Tustin

Also present were:

Fire Chief Jeff Bowman
Assistant Chief Mike Schroeder
Assistant Chief Lori Smith
Clerk of the Authority Sherry Wentz

Assistant Chief Brian Young
Assistant Chief Lori Zeller
General Counsel David Kendig
Communications Director Sandy Cooney

1. PRESENTATIONS

No items.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR (F: 11.12)

Budget and Finance Committee Chair McCloskey reported at its April 13, 2016, meeting, the Committee voted unanimously to receive and file the Quarterly Status Update on the Orange County Employees' Retirement System and the Communication with Auditors for FY 2015/16 Financial Audit Report, and to send the Quarterly Purchasing Report and the Monthly Investment Reports to the Executive Committee for its approval, and to send the Proposed New Purchasing Ordinance to the Board of Directors for its approval.

Stephen Wontrobski, Mission Viejo resident, addressed the Unfunded Actuarial Accrued Liability (UAAL), and continued concerns regarding Lance Soll and Lunghard. (F: 11.11)

REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR (F: 11.12)

Human Resources Committee Chair Shawver reported at its April 5, 2016, the Committee voted unanimously to receive and file the Annual Fraud Hotline, Professional Standards Unit Progress, and Paid Administrative Leave Reports, and to send the Professional Labor Negotiation Services, to the Executive Committee for its approval. The Committee received a presentation by Fire Chief Bowman and staff regarding the Structure of the Human Resources Department, as well as key Human Resources projects that are underway, discussed a draft policy for processing complaints against the Fire Chief, and directed Legal Counsel to revise the policy for further consideration at its May special meeting. The frequency of the HR Committee meetings was discussed, and it was determined that regular meetings will continue to be held on a quarterly-basis; however, as it is the Human Resource Committee's option, special meetings will be held in May and June.

Stephen Wontrobski, Mission Viejo resident, addressed pension reform and correspondence between Board Members. (F: 11.11)

REPORT FROM THE CLAIMS SETTLEMENT COMMITTEE CHAIR (F: 11.12)

Claims Settlement Committee Chair Hernandez reported at its meeting this evening, the Claims Settlement Committee considered Workers' Compensation claims for claimants Vernon Hansen and Jim McArdle; there were no reportable actions.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Jeff Bowman summarized the provided Fire Station Visitation Report and introduced Assistant Chief Brian Young who provided a report on the USAR Task Force Readiness Review; introduced Communications Director Sandy Cooney who provided an update on the Drowning Prevention Campaign; introduced Assistant Chief Lori Zeller who provided an update on the Business Services financial checks and balances. Fire Chief Bowman concluded his report with the presentation of a draft firefighter recruitment video.

PUBLIC COMMENTS – PUBLIC SESSION (F: 11.11)

Using the Chair's discretion, Chair Hernandez combined the Public and Closed Session Comments portion of the meeting to be heard at this time.

Stephen Wontrobski, Mission Viejo resident, provided comments on labor negotiations reforms, auditor's work papers, equity, the Human Resources Committee Chair's response letter to Director Barnett, and discussions regarding the Equity Appeal in Closed Session.

2. MINUTES

A. Minutes from the March 24, 2016, Regular Board of Directors Meeting (F: 11.06)

On motion of Director Johnson and second by Director McCloskey, the Board of Directors voted unanimously by those present to approve the March 24, 2016, Regular Board of Directors Minutes as submitted.

Director Amezcua was recorded as an abstention, due to her absence from the meeting.

3. CONSENT CALENDAR (Agenda Item Nos. 3C was pulled for separate consideration)

A. Drowning Prevention Awareness Proclamation (F: 11.09A)

On motion of Director Shawver and second by Director Johnson, the Board of Directors voted unanimously by those present to approve the proposed "Drowning Prevention Awareness" proclamation.

B. Secured Fire Protection Agreements for Apartment Projects: Encanto (Lake Forest) and Vantis (Aliso Viejo) (F: 18.14)

Director Robinson noted a minor correction to the staff report's reference that the Encanto Project in Lake Forest is for single-family dwellings, not for apartments.

On motion of Director Shawver and second by Director Johnson, the Board of Directors voted unanimously by those present to:

1. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreement with Meritage Homes of California, Inc., related to the Encanto Project, Lake Forest.
2. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreement with Vantis Multifamily, LLC, related to the Vantis Apartment Project, Aliso Viejo.
3. Direct the Clerk of the Authority to record the Secured Fire Protection Agreements in the Official Records of the County of Orange, and furnish the developers a copy of the conformed document within fifteen days of recordation.

C. Reserve Firefighter Program Status Update (F: 17.11A)

Stephen Wontrobski, Mission Viejo resident, provided his suggestions for the use of Reserve Firefighters.

On motion of Director Sachs and second by Director Johnson, the Board of Directors voted unanimously by those present to receive and file the report.

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

A. Proposed New Purchasing Ordinance – Introduction (F: 11.10H) (X: 11.08)

Assistant Chief Lori Zeller introduced Purchasing and Materials Manager Debbie Casper who presented the proposed New Purchasing Ordinance.

Chris Nguyen, Deputy Chief of Staff for Orange County Supervisor/OCFA Director Todd Spitzer, addressed concerns with the recommended thresholds.

Director Spitzer arrived at this time (7:15 p.m.).

Discussion ensued regarding inclusion of checks and balances for all special procurements by including a review and approval by the Assistant Chief of Business Services, thresholds on the Roles/Responsibilities/Authorities Matrix, and provision of a routine report on purchasing activity, similar to those provided by other agencies such as the County of Orange or the Orange County Transportation Authority.

On motion of Director McCloskey and second by Director Shawver, the Board of Directors voted unanimously by those present to:

1. Approve a revision to the proposed Ordinance for the inclusion of the “review and approval from the Assistant Chief of Business Services for all special procurements.”
2. Waive the full reading of the proposed Ordinance.
3. Introduce and read by title only proposed Ordinance No. 008 entitled: AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY FIRE AUTHORITY REPEALING ORDINANCE NO. 006 AND ORDINANCE NO. 007 AND ESTABLISHING THE PURCHASING RULES AND PROCEDURES OF THE ORANGE COUNTY FIRE AUTHORITY.
4. Approve Resolution No. 2016-02 entitled: A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AMENDING THE ROLES/RESPONSIBILITIES/AUTHORITIES MATRIX TO COINCIDE WITH THE NEW PURCHASING CODE.
5. Directed staff to provide a routine report on purchasing activity.

B. Request by Director Barnett: Discussion of Contracting for Services, Employee Compensation & Benefits, and Public Negotiation of Labor Contracts (F: 11.17A)

In the absence of Director Barnett, this agenda item was pulled from the agenda.

BOARD MEMBER COMMENTS (F: 11.13)

Director Sedgwick commended Communications Director Cooney’s presentation and stated he would request Laguna Hill’s consideration of a donation to the Orange County Task Force on Drowning Prevention campaign.

Director Green reported at Placentia’s April 19, 2016, City Council meeting, the Council approved OCFA’s proposed changes in service configuration for Placentia.

Director Hatch complimented Fire Chief Bowman on the Fire Station Visitation Report that he provided to the Board.

Director Shawver thanked Fire Station 46 for its participation in Stanton’s “Youth-in-Government Day.”

Vice Chair Swift reported that the Buena Park City Council approved funds for the Task Force on Drowning Prevention’s campaign, noting the recent loss of a 19-year old resident to drowning.

Director Bartlett announced Saturday is designated “National Prescription Drug Take-Back Day” where residents can dispose of prescription drugs no longer needed, and thanked OCFA staff who contributed to the “Celebrate Ladera Ranch” event.

Chair Hernandez in compliance with AB 1234, reported on his participation on a recent trip to Washington D.C. with OCFA's USAR Battalion Chief Mike Petro and Legislative Analyst Jay Barkman.

Director Spitzer left at this point (7:30 p.m.).

Director Tsunoda arrived at this point (7:35 p.m.).

CLOSED SESSION (F: 11.15)

General Counsel David Kendig reported the Board would be convening at Closed Session to consider the matters on the Agenda identified as CS1, Conference with Labor Negotiator, CS2, Conference with Legal Counsel-Existing Litigation, and CS3, Conference with Legal Counsel-Anticipated Litigation.

Chair Hernandez recessed the meeting to Closed Session at 7:36 p.m.

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

Employee Organizations: Orange County Professional Firefighters' Association,
Local 3631

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Name of Case: Orange County Fire Authority and City of Irvine v All Persons
Interested in the Matter of the Validity of that Second Amendment to
Amended Joint Powers Authority

Case No.: Court of Appeal, Fourth Appellate District, Division Three – Appellate
Case No. G050687

Authority: Government Code Section 54956.9(d)(1)

CS3. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(b) – Significant Exposure to
Litigation (3 cases)

Director Lalloway arrived at this point (8:00 p.m.).

Chair Hernandez reconvened the meeting at 9:59 p.m.

CLOSED SESSION REPORT (F: 11.15)

General Counsel David Kendig stated there were no reportable actions.

ADJOURNMENT – Chair Hernandez adjourned the meeting at 10:00 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, May 26, 2016, at 6:00 p.m.

Sherry A.F. Wentz, CMC
Clerk of the Authority



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 3A
Consent Calendar

Proposed Purchasing Ordinance – Second Reading

Contact(s) for Further Information

Lori Zeller, Assistant Chief
Business Services Department

lorizeller@ocfa.org

714.573.6020

Debbie Casper
Purchasing & Materials Manager

debbiecasper@ocfa.org

714.573.6641

Summary

This item is submitted for the second reading to adopt the proposed Purchasing Ordinance. Upon adoption, the Ordinance will take effect in 30 days.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*
Board of Directors First Reading: *APPROVE*

At its regular April 13, 2016, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

Subsequently, at its regular April 28, 2016, meeting, the Board of Directors introduced and waived the full reading of Ordinance No. 008, with one modification. The modification was made to Sec. 1-23 of the Ordinance (page 16), to require that the Chief Procurement Officer's written determination regarding the special procurement be further reviewed and approved by the Assistant Chief/Business Services. The Board also directed staff to modify the Roles/Responsibilities/Authorities matrix to require justifications for sole source purchases (within management authority) to be provided to the Chief Procurement Officer. This modification was also added for special procurements (within management authority) with the added requirement for review/approval by the Assistant Chief/Business Services. Lastly, the Board directed staff, upon implementation of the new Ordinance, to begin providing routine purchasing activity reports, similar to those provided by other agencies such as the County of Orange or the Orange County Transportation Authority.

RECOMMENDED ACTION(S)

1. Waive the full reading of the proposed Ordinance.
2. Adopt and read by title only proposed Ordinance No. 008 entitled AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY FIRE AUTHORITY REPEALING ORDINANCE NO. 006 AND ORDINANCE NO. 007 AND ESTABLISHING THE PURCHASING RULES AND PROCEDURES OF THE ORANGE COUNTY FIRE AUTHORITY establishing a comprehensive procurement ordinance.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

Adoption of an Ordinance is a two-step process consisting of the introduction of the Ordinance, followed the adoption of the Ordinance. The establishment of one comprehensive ordinance that governs procurement will create a clear and consistent guide for staff, vendors doing business with OCFA, and the public. The structure of the ordinance will allow for future amendments as required without rescinding and replacing the entire ordinance.

Staff recommends adoption of a new OCFA Procurement Code, proposed Ordinance No. 008, which is based in large part upon the ABA Model Procurement Code. Upon adoption, the Ordinance will take effect in 30 days.

Attachment(s)

Proposed Ordinance No. 008 (redline version)

ORDINANCE NO. 008

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY FIRE AUTHORITY REPEALING ORDINANCE NO. 006 AND ORDINANCE NO. 007 AND ESTABLISHING THE PURCHASING RULES AND PROCEDURES OF THE ORANGE COUNTY FIRE AUTHORITY

RECITALS

A. *WHEREAS*, on April 23, 2009, the Orange County Fire Authority adopted OCFA Ordinance No. 006 establishing informal bidding procedures under the Uniform Public Construction Cost Accounting Act; and

B. *WHEREAS*, on April 23, 2009, the Orange County Fire Authority adopted OCFA Ordinance No. 007 establishing the purchasing rules and procedures; and

C. *WHEREAS*, the Board wishes to replace these two ordinances with a single ordinance based on the American Bar Association Model Procurement Code.

THEREFORE, the Board of Directors of the Orange County Fire Authority does hereby ordain as follows:

Section 1. Repeal of Ordinance Nos. 006 and 007; Replacement.

As of the effective date of this Ordinance, Ordinance No. 006 and No. 007 are hereby repealed and replaced, in their entirety, with the Orange County Fire Authority Procurement Code attached hereto as Exhibit A.

Section 2. Effective Date; Publication.

This Ordinance shall take effect and be in force thirty (30) days from the date of its passage. Before the expiration of fifteen (15) days after its passage, it or a summary of it shall be published once, with the names of the members of the Board of Directors voting for and against the same in the Register, a newspaper of general circulation published in the County of Orange.

PASSED, APPROVED and ADOPTED this ____ day of _____ 2016.

GENE HERNANDEZ, CHAIR
OCFA Board of Directors

ATTEST:

SHERRY A.F. WENTZ, CMC
Clerk of the Authority

STATE OF CALIFORNIA }
COUNTY OF ORANGE } ss
CITY OF ORANGE }

I, SHERRY A.F. WENTZ, Clerk of the Orange County Fire Authority, do hereby certify that the foregoing Ordinance No. 008 was duly introduced and placed upon its first reading at a regular meeting of the Orange County Fire Authority Board of Directors on the 28th day of April 2016, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the Board of Directors of the Orange County Fire Authority held on the _____ day of _____ 2016, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

SHERRY A.F. WENTZ, CMC
Clerk of the Authority

EXHIBIT A

ORANGE COUNTY FIRE AUTHORITY
PROCUREMENT CODE

- Art. I. In General, §§ 1-1--1-10**
- Art. II. Chief Procurement Officer Authority, §§ 1-11--1-14**
- Art. III. Source Selection and Contract Formation, §§ 1-15--1-40**
- Art. IV. Specifications, §§ 1-41--1-46**
- Art. V. Procurement of Public Works Projects and Professional Design Services, §§ 1-47--1-57**
- Art. VI. Contract Terms and Conditions, §§ 1-58--1-61**
- Art. VII. Cost Principles, §§ 1-62--1-65**
- Art. VIII. Materials Management, §§ 1-66--1-74**
- Art. IX. Legal and Contractual Remedies, §§ 1-75--1-125**
- Art. X. Cooperative Purchasing, §§ 1-126--1-131**
- Art. XI. Reserved, §§ 1-132--1-136**
- Art. XII. Ethics in Public Contracting, §§ 1-137--1-140**

Article I. General Provisions

- Sec. 1-1. General Law.
- Sec. 1-2. Applicability.
- Sec. 1-3. Definitions.
- Sec. 1-4. Supplementary general principles of law applicable.
- Sec. 1-5. Requirement of good faith.
- Sec. 1-6. Confidential information.
- Secs. 1-7--1-10. Reserved.

Article II. Chief Procurement Officer Authority

Sec. 1-11. Authority of the Chief Procurement Officer.

Sec. 1-12. Written determinations.

Secs. 1-13, 1-14. Reserved.

Article III. Source Selection and Contract Formation

Sec. 1-15. Definitions.

Sec. 1-16. Methods of source selection.

Sec. 1-17. Competitive sealed bidding.

Sec. 1-18. Competitive sealed proposals.

Sec. 1-19. Contracting for legal counsel.

Sec. 1-20. Small purchases.

Sec. 1-21. Sole source procurement.

Sec. 1-22. Emergency procurements.

Sec. 1-23. Special procurements.

Sec. 1-24. Cancellation of solicitations.

Sec. 1-25. Rejection of individual bids, proposals, quotations or statements of qualifications

Sec. 1-26. Responsibility of bidders, offerors and respondents.

Sec. 1-27. Bid and contract security, material or service contracts.

Sec. 1-28. Types of contracts.

Sec. 1-29. Approval of accounting system.

Sec. 1-30. Multi-year contracts.

Sec. 1-31. Right to inspect.

Sec. 1-32. Right to audit records.

Sec. 1-33. Reporting of anticompetitive practices.

Sec. 1-34. Prospective vendors lists.

Sec. 1-35. Contract form and execution.

Sec. 1-36. Assignment of rights and duties.

Sec. 1-37--1-40. Reserved.

Article IV. Specifications

- Sec. 1-41. Definitions.
- Sec. 1-42. Maximum practicable competition.
- Sec. 1-43. Specifications prepared by other than Fire Authority personnel.
- Sec. 1-44. Brand name or equal specification.
- Sec. 1-45. Brand name specification.
- Sec. 1-46. Reserved.

Article V. Procurement of Public Projects and Professional Design Services

- Sec. 1-47. Definitions.
- Sec. 1-48. Procurement of public projects.
- Sec. 1-49. Public project informal bidding procedures.
- Sec. 1-50. Public project formal bidding procedures.
- Sec. 1-51. Procurement of professional design services.
- Sec. 1-52. Procurement of construction services.
- Sec. 1-53. Public project emergencies procedures.
- Sec. 1-54--1-57. Reserved.

Article VI. Contract Terms and Conditions

- Sec. 1-58. Contract terms and conditions.
- Secs. 1-59--1-61. Reserved.

Article VII. Cost Principles

- Sec. 1-62. Cost principles.
- Sec. 1-63. Cost or pricing data.
- Secs. 1-64, 1-65. Reserved.

Article VIII. Materials Management

- Sec. 1-66. Definitions.
- Sec. 1-67. Materials management guidelines.
- Sec. 1-68. Inventory management.
- Sec. 1-69. Disposition of surplus property.
- Secs. 1-70--1-74. Reserved.

Article IX. Legal and Contractual Remedies

- Sec. 1-75. Definitions.
- Sec. 1-76. Authority of the Chief Procurement Officer.
- Sec. 1-77. Right to protest.
- Sec. 1-78. Filing of a protest.
- Sec. 1-79. Time for filing protests.
- Sec. 1-80. Stay of procurements during the protest.
- Sec. 1-81. Confidential information.
- Sec. 1-82. Decision by the Chief Procurement Officer.
- Sec. 1-83. Remedies.
- Sec. 1-84. Appeals to the Fire Chief.
- Sec. 1-85. Notice of appeal.
- Sec. 1-86. Stay of procurement during appeal.
- Sec. 1-87. Contract procurement officer report.
- Sec. 1-88. Dismissal by the Fire Chief.
- Sec. 1-89. Remedies.
- Sec. 1-90. Filing of a contract claim.
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Article X. Cooperative Purchasing

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Article XII. Ethics in Public Contracting

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ARTICLE I. GENERAL PROVISIONS

Purpose

The purpose of the Orange County Fire Authority Procurement Code is to:

- (a) Simplify, clarify, centralize, and modernize the Fire Authority's rules and regulations governing procurement.
- (b) Permit the continued development of best value procurement policies and practices.
- (c) Provide for increased public confidence in the procurement procedures followed by the Fire Authority.
- (d) Ensure the fair and equitable treatment of all persons who deal with the procurement system of the Fire Authority.
- (e) Provide increased economy in Fire Authority procurement activities and maximize, to the fullest extent practicable, the purchasing value of public monies of the Fire Authority, and foster effective broad-based competition within the free enterprise system.
- (f) Provide safeguards for the maintenance of a procurement system of quality and integrity.
- (g) Obtain in a cost-effective and timely manner the materials, services, and construction required by the Fire Authority to better serve its citizens.

Sec. 1-1. General Law.

Pursuant to and to the extent required by Government Code Section 6509, the Orange County Fire Authority shall be restricted in the exercises of its powers in the same manner as is a general law city in accordance with the joint power agreement formed as of February 3, 1995, and as subsequently amended.

Sec. 1-2. Applicability.

Sec. 1-2(1). The provisions of this code shall apply to the following:

- (a) Every expenditure of public monies by the Fire Authority irrespective of their source, including State and Federal assistance monies, for the procurement of materials, services, and public projects;
- (b) Disposal of property; and
- (c) Contracts where there is no expenditure of public monies or where the Fire Authority is offering something of value to the business community when the Fire Authority determines source selection and award of a contract.

Sec. 1-2(2). The following are exempt from the provisions of this code:

- (a) Grants awarded by the Fire Authority and approved by the Board of Directors;
- (b) The purchase, sale or lease of Fire Authority real property;
- (c) Contracts for professional witnesses if the purpose of such contracts is to provide for services or testimony relating to an existing or probable judicial proceeding in which the Fire Authority

is or may become a party to, and contracts for special investigative services for law enforcement purposes;

(d) Agreements negotiated by the Fire Authority in settlement of litigation or threatened litigation; or

(e) Contracts with other governmental agencies.

Sec. 1-3. Definitions.

In this code, unless the context otherwise requires:

Sec. 1-3(1). "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

Sec. 1-3(2). "Change order" means a written document authorized by the Chief Procurement Officer which directs the contractor to make changes with or without the consent of the contractor.

Sec. 1-3(3). "Chief Procurement Officer" means the official appointed by the Fire Chief as the purchasing and materials manager and the central procurement and contracting authority for the Fire Authority.

Sec. 1-3(4). "Contract" means all types of Fire Authority agreements, regardless of what they may be called, for the procurement of materials, maintenance, services, public works, construction or the disposal of materials.

Sec. 1-3(5). "Construction" means the process of building, reconstructing, erecting, altering, renovating, improving, demolishing, or repairing any Fire Authority owned, leased, or operated facility. Construction does not include maintenance work, which is defined to include routine, recurring, and usual work for the preservation or protection of any Fire Authority owned or operated facility for its intended purposes.

Sec. 1-3(7). "Contract officer" means any person duly authorized by the Chief Procurement Officer to facilitate the source selection process, including but not limited to; preparing solicitations and written determinations, conducting negotiations, making award recommendations, and administering contracts.

Sec. 1-3(8). "Contractor" or "Consultant" means any person who has a procurement contract with the Fire Authority.

Sec. 1-3(9). "Days", unless otherwise specified, means calendar days and shall be computed by excluding the first day and including the last working day, unless the last day is a holiday, and then it is also excluded.

Sec. 1-3(10). "Department" means the Purchasing Section of the Business Services Department.

Sec. 1-3(11). "Designee" means a duly authorized representative of the Chief Procurement Officer, designated by the Chief Procurement Officer.

Sec. 1-3(12). "Disposal of material" means sale of surplus property by public auction, including online electronic auction, competitive sealed bidding, small purchase procedures, recycling, or other appropriate method designated by this code.

Sec. 1-3(13). "Electronic" means electrical, digital, magnetic, optical, electromagnetic, or any other

similar technology.

Sec. 1-3(14). "Emergency" means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Sec. 1-3(15). "Executive Committee" means the Executive Committee of the Orange County Fire Authority Board of Directors.

Sec. 1-3(16). "Fire Authority" means the Orange County Fire Authority.

Sec. 1-3(17). "Grant" means the furnishing of assistance, whether financial or otherwise, to any person to support a program authorized by law. Grant does not include an agreement whose primary purpose is to procure a specific end product, whether in the form of materials, services or construction. A contract resulting from such an agreement is not a grant but a procurement contract.

Sec. 1-3(18). "Materials" means all property, including but not limited to, equipment, supplies, printing, insurance and buildings but does not include land, a permanent interest in land or leases of real property.

Sec. 1-3(19). "Person" means any corporation, consultant, business, individual, union, committee, club, other organization or group of individuals.

Sec. 1-3(20). "Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring any materials, services, or construction. Procurement also includes all functions that pertain to the acquisition of any material, service, or construction including but not limited to, description of requirements, selection and solicitation of sources, preparation, negotiation and, award of contract, and all phases of contract administration.

Sec. 1-3(21). "Professional service" means a unique, technical function performed by an independent contractor or firm qualified by education, experience, and/or technical ability to provide services and may include consulting, marketing analysis, banking services, auditing, software development/design, and editing services.

Sec. 1-3(22). "Public notice" means the distribution or dissemination of information to interested parties using methods that are reasonably available. Such methods may include electronic mailing lists and a website maintained for that purpose.

Sec. 1-3(23). "Services" means the furnishing of labor, time or effort by a contractor, consultant, subcontractor or sub-consultant which does not involve the delivery of a specific end product other than required design documents or reports and performance. Services do not include employment agreements or collective bargaining agreements. The definition of services includes, but is not limited to: consulting, personal, professional, legal counsel, auditing, technical, professional design and construction services.

Sec. 1-3(24). "Sole Source" means a product or service that is available from only one known supplier as a result of unique performance capabilities, manufacturing processes, compatibility requirements or market conditions.

Sec. 1-3(25). "Subcontractor or subconsultant" means a person who contracts to perform work or render service to a contractor or consultant as defined by this section or to another subcontractor or subconsultant as a part of a contract with the Fire Authority.

Sec. 1-3(26). "Written or in writing" means the product of any method for forming characters on paper or other material or viewable screen, which can be read, retrieved, and reproduced, including information that is electronically transmitted and stored.

Sec. 1-3(27). "Using department" means any organizational unit of the Fire Authority, which utilizes any materials, services or construction procured under this code.

Sec. 1-4. Supplementary general principles of law applicable.

Unless displaced by the particular provisions of this code, the principles of law and equity, including the uniform commercial code of this state, the common law of contracts as applied in this state and law relative to agency, fraud, misrepresentation, duress, coercion and mistake supplement the provisions of this code.

Sec. 1-5. Requirement of good faith.

This code requires all parties involved in the negotiation, performance, or administration of Fire Authority contracts to act in good faith.

Sec. 1-6. Confidential information.

All bids, proposals, offers, specifications, or protests submitted to the Fire Authority are subject to public inspection and disclosure under the California Public Records Act (Government Code Section 6250 et seq.). If a person believes that any portion of its bid, proposal, offer, specifications or protest is exempt from public disclosure, such portion may be marked "confidential." Except as required by law or court order, the Fire Authority will use reasonable means to ensure that such confidential information is safeguarded.

Secs. 1-7--1-10. Reserved.

ARTICLE II. CHIEF PROCUREMENT OFFICER AUTHORITY

Sec. 1-11. Authority of the Chief Procurement Officer.

Sec. 1-11(1). Except as otherwise provided in this code, the Chief Procurement Officer may adopt operational procedures consistent with this code governing the procurement and management of all materials, services, and construction to be procured by the Fire Authority and the disposal of materials.

Sec. 1-11(2). The Chief Procurement Officer shall serve as the central procurement and contracting authority of the Fire Authority.

Sec. 1-11(3). Except as otherwise provided in this code, the Chief Procurement Officer shall:

- (a) Procure or supervise the procurement of all materials, services and construction needed by the Fire Authority and establish the methods and procedures necessary for the proper, efficient, and economical functioning of the procurement program.
- (b) Establish guidelines for the management of all inventories of materials belonging to the Fire Authority.
- (c) Sell, trade or otherwise dispose of surplus materials belonging to the Fire Authority in accordance with the provisions of Section 1-69.

- (d) Prepare, issue, revise, maintain, and monitor the use of specifications for materials, services and construction required by the Fire Authority.
- (e) Manage the Fire Authority's procurement card (pCard) program.
- (f) Furnish the Board of Directors with such reports and information as the Board may require.

Sec. 1-11(4). The Chief Procurement Officer may delegate procurement authority to designees or to any using department or official of the Fire Authority.

Sec. 1-11(5). The Chief Procurement Officer may determine in writing that noncompliance with any provision of this code is not substantial and may allow for correction or may waive minor informalities or irregularities. The basis for the decision shall be included in the determination.

Sec. 1-11(6). The Chief Procurement Officer, in accordance with this code, shall have the authority to award contracts not exceeding the amount defined under management authority in the Roles and Responsibilities Matrix. Contracts exceeding management authority shall be executed by the Chief Procurement Officer upon approval by the Executive Committee or the Board of Directors.

Sec. 1-11(7). Except in cases of emergency, pursuant to Section 1-22, or where the Board of Directors or the Executive Committee has retained authority, no purchase of services, supplies and equipment by any person other than the Chief Procurement Officer or designee shall be binding upon the Fire Authority or constitute lawful charge against Fire Authority funds.

Sec. 1-12. Written determinations.

Written determinations required by this code shall be retained in the department.

Secs. 1-13, 1-14. Reserved.

ARTICLE III. SOURCE SELECTION AND CONTRACT FORMATION

Sec. 1-15. Definitions.

In this article, unless the context otherwise requires:

Sec. 1-15(1). "*Best value*" means a method in the competitive sealed proposal process which permits the evaluation of criteria to determine the best overall value to the Fire Authority.

Sec. 1-15(2). "*Discussions*" means communication with an offeror, bidder or respondent for the purpose of:

- (a) Eliminating minor irregularities, informalities, or apparent clerical mistakes in the offer or response;
- (b) Clarifying any offer or response to assure full understanding of, and responsiveness to, solicitation requirements;
- (c) Resolving minor variations in contract terms and conditions; or
- (d) Establishing the competency or financial stability of any offeror, bidder or respondent.

Sec. 1-15(3). "*Invitation for bid*" means all documents, written or electronic, whether attached or

incorporated by reference, which are used for soliciting bids in accordance with the procedures prescribed in Section 1-17.

Sec. 1-15(4). "Minor informalities or irregularities" means mistakes, or non-judgmental errors, that have negligible effect on price, quantity, quality, delivery, or other contractual terms whereby the waiver or correction of such mistakes does not prejudice other bidders, offerors or respondents.

Sec. 1-15(5). "Negotiations" means an exchange of information or any form of cooperation during which the offeror and the Fire Authority may alter or otherwise change the conditions, terms, and price, unless prohibited, of the proposed contract.

Sec. 1-15(6). "Registered supplier" means a supplier, vendor, or contractor that that has registered as an interested party to do business with the Fire Authority.

Sec. 1-15(7). "Request for proposals" means all documents, written or electronic, whether attached or incorporated by reference, which are used for soliciting proposals in accordance with procedures prescribed in Section 1-18.

Sec. 1-15(8). "Request for qualifications" means all documents, written or electronic, whether attached or incorporated by reference, which are used for soliciting responses from qualified respondents in accordance with Article V.

Sec. 1-15(9). "Responsible bidder, offeror, or respondent" means a person who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the procurement contract.

Sec. 1-15(10). "Responsive bidder" means a person who submits a bid which conforms in all material respects to a solicitation.

Sec. 1-15(11). "Solicitation" means an invitation for bids, a request for technical proposals, a request for proposals, a request for qualifications, a request for quotations, or any other invitation or request by which the Fire Authority invites a person to participate in a procurement.

Sec. 1-16. Methods of source selection.

All contracts of the Fire Authority shall be awarded by one of the methods of source selection specified in this code.

Sec. 1-17. Competitive sealed bidding.

Sec. 1-17(1). Invitation for bids.

- (a) Competitive sealed bids shall be solicited through an invitation for bids. The invitation for bids shall include specifications and any applicable evaluation criteria. Contractual terms and conditions may be included within the solicitation document or incorporated by reference.
- (b) A prequalification process may be conducted prior to the issuance of an invitation for bids in order to establish a list of qualified bidders. In the event a prequalification process is used, the contract officer shall only consider bids that are submitted from prequalified bidders.

Sec. 1-17(2). Public notice. Notice of the invitation for bids shall be electronically posted and the invitation for bids shall be available for public inspection not less than fourteen (14) days prior to the date set forth therein for the opening of bids. A shorter time may be deemed necessary for a particular procurement as determined in writing by the Chief Procurement Officer. The public notice

shall state the place, date, and time of bid opening.

Sec. 1-17(3). Pre-bid conference. The Chief Procurement Officer may conduct a pre-bid conference. If a pre-bid conference is conducted, it shall be not less than seven days before the bid due date and time, unless the Chief Procurement Officer makes a written determination that the specific needs of the procurement justify a shorter time.

Sec. 1-17(4). Solicitation amendment. The Chief Procurement Officer shall issue a solicitation amendment to do any or all of the following:

- (a) Make a correction in the solicitation;
- (b) Correct defects or ambiguities;
- (c) Provide additional information or instructions; or
- (d) Extend the offer due date and time if the Chief Procurement Officer determines that an extension is in the best interest of the Fire Authority.

If a solicitation is changed by a solicitation amendment, the Chief Procurement Officer shall post the amendment electronically and notify registered suppliers. It is the responsibility of the offeror to obtain any solicitation amendments and acknowledge receipt of amendment as specified in the solicitation amendment.

Sec. 1-17(5). Late bids. A bid is late if it is received at the location designated in the invitation for bids after the time and date set for bid opening. A late bid shall be rejected. Bidders submitting bids that are rejected as late shall be so notified.

Sec. 1-17(6). Bid opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. A secure web-based system or other appropriate media may be used in lieu of public bid opening, provided that the accuracy, confidentiality, and reliability is maintained. The name of each bidder and the amount of each bid, as well as other relevant information as the Chief Procurement Officer deems appropriate shall be recorded. Unless otherwise determined by the Chief Procurement Officer, this record shall be open to public inspection. In the event no attendees are present for bid opening, the sealed bids shall be opened by the department and a "bid" or "no bid" may be recorded on the tabulation. The bids shall not be available for public inspection until after a contract is awarded. After a notice of intent to award is issued or, in the absence of a notice of intent to award, after final execution of the contract, the bids shall be available for public inspection, except to the extent that the withholding of information is permitted or required by law. If the bidder designates a portion of its bid as confidential, it shall isolate and identify in writing the confidential portions in accordance with Section 1-6.

Sec. 1-17(7). Bid acceptance and bid evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this code. Bids shall be evaluated based on the requirements set forth in the invitations for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. The invitation for bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the invitation for bids.

Sec. 1-17(8). Correction or withdrawal of bids; cancellation of awards. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written notice received by the department prior to the time set for bid opening.

Mistakes discovered after bid opening may be modified or withdrawn only to the extent that the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid prices or other bid provisions prejudicial to the interest of the Fire Authority or fair competition shall be permitted. In lieu of bid correction, a bidder alleging a mistake may be permitted to withdraw its bid if:

- (a) The mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or
- (b) The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made.

All decisions to permit the correction or withdrawal of bids, or to cancel awards based on bid mistakes, shall be supported by a written determination made by the Chief Procurement Officer.

Sec. 1-17(9). Contract award.

- (a) *General.* The contract shall be awarded by appropriate notice to the lowest responsible and responsive bidder whose bid conforms in all material respects to requirements and criteria set forth in the invitation for bids.
- (b) *Public record.* After the Fire Authority issues a notice of intent to award, or in the absence of a notice of intent to award upon final contract execution, the bids shall be available for public inspection, except to the extent that the withholding of information is permitted or required by law. If the bidder designates a portion of its bid as confidential, it shall isolate and identify in writing the confidential portions in accordance with Section 1-6.
- (c) *Encumbrance of funds.* Except in cases of emergency, or in cases where specific authority has been first obtained from the Fire Chief, the Chief Procurement Officer shall not issue any purchase orders for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which said purchase is to be charged. All purchases, regardless of encumbrances, shall be made in conformance with the policies established by this code.
- (d) *Procurement of recycled material.* Recycled products shall be used whenever practicable when they are of comparable quality, of equivalent price and appropriate for the intended use. Recycled products shall be procured in accordance with Public Contract Code, Section 22150, et seq.

Sec. 1-17(10). Low tie bids. If there are two (2) or more low responsive bids from responsible bidders that are identical in price and other evaluation criteria and that meet all the requirements and criteria set forth in the invitation for bids, award may be made by random selection in a manner prescribed by the Chief Procurement Officer.

Sec. 1-18. Competitive sealed proposals.

Sec. 1-18(1). Request for proposals.

- (a) Competitive sealed proposals shall be solicited through a request for proposals. The request for proposals shall include a scope of work and any applicable evaluation criteria. Contractual terms and conditions may be included within the solicitation document or incorporated by reference.

- (b) A prequalification process may be conducted prior to the issuance of a request for proposals in order to establish a list of qualified offerors. In the event a prequalification process is used, the contract officer shall only consider proposals that are submitted from prequalified offerors.

Sec. 1-18(2). Public notice. Adequate public notice of the request for proposals shall be given in the same manner as provided in Section 1-17(2).

Sec. 1-18(3). Pre-proposal conference. The Chief Procurement Officer may conduct a pre-proposal conference. If a pre-proposal conference is conducted, it shall be not less than seven days before the offer due date and time, unless the Chief Procurement Officer makes a written determination that the specific needs of the procurement justify a shorter time.

Sec. 1-18(4). Solicitation amendment. Solicitation amendments shall be handled in the same manner as provided in Section 1-17(4).

Sec. 1-18(5). Late proposals. A proposal is late if it is received at the location designated in the request for proposals after the time and date set for receipt of proposals. Late proposals shall be rejected in accordance with Section 1-17(5).

Sec. 1-18(6). Receipt of proposals. Proposals shall not be opened publicly. No proposals shall be handled as to permit disclosure of the contents of any proposal to competing offerors. Proposals shall be open for public inspection after final execution of the contract, except to the extent that the withholding of information is permitted or required by law. If the offeror designates a portion of its proposal as confidential, it shall isolate and identify in writing the confidential portions in accordance with Section 1-6.

Sec. 1-18(7). Evaluation of proposals.

- (a) *Evaluation criteria.* The request for proposals shall state the criteria to be used in the evaluation of the proposals and shall include their relative importance. Specific numerical weighting is not required.
- (b) *Selection committee.* The Chief Procurement Officer shall appoint a selection committee to evaluate the proposals and make a recommendation based on the criteria set forth in the request for proposals. No other factors or criteria may be used in the evaluation.

Sec. 1-18(8). Discussion with offerors. Discussions may be conducted with offerors.

Sec. 1-18(9). Negotiations with offerors and revisions to proposals. Negotiations may be conducted with offerors. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors.

- (a) *Concurrent negotiations.* Negotiations may be conducted concurrently with offerors for the purpose of determining source selection and/or contract award.
- (b) *Exclusive negotiations.* Exclusive negotiations may be conducted with the offeror whose proposal is determined in the source selection process to be most advantageous to the Fire Authority. Exclusive negotiations may be conducted subsequent to concurrent negotiations or may be conducted without requiring previous concurrent negotiations. Exclusive negotiations shall not constitute a contract award nor shall it confer any property rights to the successful offeror. If exclusive negotiations are conducted and an agreement is not reached, the Fire

Authority may enter into exclusive negotiations with the next highest ranked offeror without the need to repeat the formal solicitation process.

Sec. 1-18(10). Contract award. Contract award shall be made by the Chief Procurement Officer to the responsible offeror whose proposal is determined in writing to be the most advantageous to the Fire Authority taking into consideration the evaluation criteria set forth in the request for proposals. The contract file shall contain the basis on which the award is made.

Sec. 1-19. Contracting for legal counsel.

Sec. 1-19(1). Authority. For the purpose of procuring the services of legal counsel, as defined by the laws of the state, contracts for the services of legal counsel shall be awarded with the authorization of the Board of Directors or the Executive Committee except as otherwise provided by law.

Sec. 1-19(2). Conditions for use. Unless determined by the Board of Directors or the Executive Committee that direct selection is in the best interest of the Fire Authority, the services of legal counsel shall be procured in accordance with this code.

Sec. 1-20. Small purchases.

Sec. 1-20(1). General. Any contract for the purchase of supplies, equipment and services (including maintenance) not exceeding fifty thousand dollars (\$50,000.00) may be made by the Chief Procurement Officer in accordance with the small purchase procedures authorized in this section. Contract requirements shall not be artificially divided so as to constitute a small purchase under this section.

Sec. 1-20(2). Small purchases over ten thousand dollars (\$10,000.00). Insofar as it is practical for small purchases in excess of ten thousand dollars (\$10,000.00) but less than fifty thousand dollars (\$50,000.00), no less than three (3) businesses shall be solicited to submit quotations. Award shall be made to the responsible bidder submitting the quotation which is most advantageous to the Fire Authority and conforms in all material respects to the solicitation. The names of the businesses submitting quotations, and the date and amount of each quotation, shall be maintained as a public record. Nothing herein contained, however, shall preclude the Fire Authority from utilizing more restrictive procedures if, and when required by federal or state law, where federal or state funds are involved in the contract to be awarded or when the Chief Procurement Officer determines it is in the best interest of the Fire Authority to do so.

Sec. 1-20(3). Small purchases less than ten thousand dollars (\$10,000.00). The Chief Procurement Officer shall adopt operational procedures for making small purchases of ten thousand dollars (\$10,000.00) or less.

Sec. 1-21. Sole source procurement.

Notwithstanding any other provisions of this code, a contract may be awarded without competition when the Chief Procurement Officer determines in writing, after conducting a good faith review of available sources, that there is only one source for the required material, service, or construction item. The using department requesting a sole source procurement shall provide written evidence to support a sole source determination. The Chief Procurement Officer may require that negotiations are conducted as to price, delivery, and terms. The Chief Procurement Officer may require the submission of cost or pricing data in connection with an award under this section. Sole source procurements exceeding the amount defined in the roles and responsibilities matrix shall be executed by the Chief Procurement Officer upon approval by the Executive Committee or Board of Directors. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. A record of sole source procurements shall be maintained as a

public record.

Sec. 1-22. Emergency procurements.

Notwithstanding any other provisions of this code, the Fire Chief may make or authorize others to make emergency procurements of materials, services, or construction when there exists a threat to public health, welfare, or safety or if a situation exists which makes compliance with Sections 1-17, 1-18, 1-49, or 1-50 contrary to the public interest; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. The using department requesting an emergency procurement shall provide written evidence to support an emergency determination. An emergency procurement shall be limited to those materials, services, or construction necessary to satisfy the emergency need. Emergency procurements exceeding the amount defined in the roles and responsibilities matrix shall be executed by the Chief Procurement Officer upon approval by the Chair or Vice Chair of the Board of Directors. A written determination of the basis for the emergency and for the selection of the particular contractor shall be maintained as a public record.

Sec. 1-23. Special procurements.

Notwithstanding any other provisions of this code, the Executive Committee or the Board of Directors may authorize procurements above the small purchase amount specified in Section 1-20 for supplies, equipment or services (including maintenance) when, due to unusual or special circumstances, it would be in the best interest of the Fire Authority to accomplish the procurement without compliance with Sections 1-17 (competitive sealed bidding), 1-18 (competitive sealed proposals), or 1-51 (procurement of professional design services). This is not applicable to the procurement of construction services (Section 1-50). The using department requesting a special procurement shall provide written evidence to support a special procurement determination. Any special procurement under this section shall be limited to those materials, equipment or services, necessary to satisfy the Fire Authority's need and shall be made with sound fiscal discretion. A written determination by the Chief Procurement Officer with review and approval from the Assistant Chief, Business Services of the basis for the special procurement and for the selection of the particular contractor shall be maintained as public record. The determination and the award shall be made in accordance with internal departmental procedures ensuring that the procurement is fair, honest, prudent, and a wise exercise of discretion and is in the public interest.

Sec. 1-24. Cancellation of solicitations.

Sec. 1-24(1). Cancellation of solicitations. An invitation for bids, a request for proposals, a request for qualifications, or other solicitation may be cancelled, or any or all bids, proposals or statements of qualifications may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interest of the Fire Authority.

Sec. 1-24(2). Prior to opening.

- (a) As used in this section, "opening" means the date and time set for opening of bids, receipt of statements of qualifications or receipt of proposals in competitive sealed proposals.
- (b) Prior to opening, a solicitation may be cancelled in whole or in part when the Chief Procurement Officer determines in writing that such action is in the Fire Authority's best interest for reasons including but not limited to:
 - i. The Fire Authority no longer requires the materials, services, or construction;
 - ii. The Fire Authority no longer can reasonably expect to fund the procurement; or
 - iii. Proposed amendments to the solicitation would be of such magnitude that a new solicitation is in the best interest of the Fire Authority.

- (c) When a solicitation is cancelled prior to opening, notice of cancellation shall be publicly posted.
- (d) The notice of cancellation shall:
 - i. Identify the solicitation;
 - ii. Briefly explain the reason for cancellation; and
 - iii. Where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurements of similar materials, services, or construction.

Sec. 1-24(3). After opening.

- (a) After opening but prior to award, all bids, proposals or statements of qualifications may be rejected in whole or in part when the Chief Procurement Officer determines in writing that such action is in the Fire Authority's best interest for reasons including but not limited to:
 - i. The Fire Authority no longer requires the materials, services or construction;
 - ii. Ambiguous or otherwise inadequate specifications or scopes of work were part of the solicitation;
 - iii. The solicitation did not provide for consideration of all factors of significance to the Fire Authority;
 - iv. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
 - v. All otherwise acceptable bids, statements of qualifications or proposals received are at clearly unreasonable prices;
 - vi. There is reason to believe that the bids, statements of qualifications or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith; or
 - vii. Competition was insufficient.
- (b) A notice of rejection shall be sent to all persons that submitted bids, statements of qualifications or proposals, and it shall conform to subsection 1-24(2) (d) of this section.
- (c) If all bids, proposals or request for qualifications are rejected, all bids, proposals or statements received shall remain, to the extent possible, confidential.

Sec. 1-24(4). Documentation. The reasons for cancellation or rejection shall be made a part of the procurement file and shall be available for public inspection.

Sec. 1-25. Rejection of individual bids, proposals, quotations or statements of qualifications.

- (a) A bid may be rejected if:
 - i. The bidder is determined to be non-responsible pursuant to Section 1-26;
 - ii. The bid is nonresponsive in accordance with Section 1-17; or
 - iii. It is otherwise not advantageous to the Fire Authority.
- (b) A proposal, statement of qualifications, or quotation may be rejected if:

- i. The person responding to the solicitation is determined to be non-responsible pursuant to Section 1-26; or
- ii. The proposal is incomplete, nonresponsive to solicitation requirements; or
- iii. The proposed price exceeds available funds or is unreasonable; or
- iv. It is otherwise not advantageous to the Fire Authority.

(c) The reasons for rejection shall be made a part of the procurement file and shall be available for public inspection.

Sec. 1-26. Responsibility of bidders, offerors and respondents.

Sec. 1-26(1). Findings of non-responsibility. If a bidder, offeror or respondent who otherwise would have been awarded a contract is found non-responsible, a written finding of non-responsibility, setting forth the basis of the finding, shall be prepared by the contract officer. The unreasonable failure of a bidder, offeror or respondent to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a finding of non-responsibility with respect to such bidder or offeror. The written finding shall be made part of the contract file and be made a public record.

Sec. 1-26(2). Right of nondisclosure. Except as required by law or court order, confidential information furnished by a bidder, offeror or respondent pursuant to this section shall not be disclosed by the Fire Authority outside of the agency, or using department, without prior written consent by the bidder, offeror or respondent.

Sec. 1-26(3). Factors. Factors to be considered in determining if a prospective contractor is responsible include:

- (a) The proposed contractor's financial, physical, personnel or other resources, including subcontracts;
- (b) The proposed contractor's record of performance and integrity;
- (c) Whether the proposed contractor is qualified legally to contract with the Fire Authority; and
- (d) Whether the proposed contractor supplied all necessary information concerning its responsibility.

Sec. 1-26(4). Responsibility criteria. The contract officer may establish specific responsibility criteria for a particular procurement. Any specific responsibility criteria shall be set forth in the solicitation.

Sec. 1-27. Bid and contract security, material or service contracts.

The Chief Procurement Officer may require the submission of security to guarantee faithful bid and contract performance. In determining the amount and type of security required for each contract, the Chief Procurement Officer shall consider the nature of the performance and the need for future protection to the Fire Authority. The requirement for security must be included in the invitation for bids, ~~invitation for reverse auction bids~~ or request for proposals. Failure to submit security in the amount and type of security required may result in the rejection of the bid or proposal.

Sec. 1-28. Types of contracts.

Subject to the limitations of this code, any type of contract which will promote the best interests of the Fire Authority may be used.

Sec. 1-29. Approval of accounting system.

The Chief Procurement Officer may require that the proposed contractor's accounting system is adequate to allocate costs in accordance with generally accepted cost accounting principles prior to award of a contract.

Sec. 1-30. Multi-year contracts.

Unless otherwise provided by law, a contract for materials, services or construction may be entered into for any period of time deemed to be in the best interest of the Fire Authority, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of monies.

Sec. 1-31. Right to inspect.

The Fire Authority may, at reasonable times, inspect the part of the plant or place of business of a contractor, consultant or any subcontractor or sub-consultant that is related to the performance of any contract awarded or to be awarded by the Fire Authority.

Sec. 1-32. Right to audit records.

Sec. 1-32(1). The Fire Authority may, at reasonable times and places, audit the books and records of any person who submits cost or pricing data as provided in Article VII of this code to the extent that the books and records relate to the cost or pricing data. Any person who is awarded a contract, change order or contract modification for which cost or pricing data is required shall maintain the books and records that relate to the cost or pricing data for three (3) years from the date of final payment under the contract, unless otherwise specified in the contract.

Sec. 1-32(2). The Fire Authority is entitled to audit the books and records of a contractor, consultant or any subcontractor or sub-consultant under any contract or subcontract to the extent that the books and records relate to the performance of the contract or subcontract. The books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contractor or consultant, and by the subcontractor or sub-consultant for a period of three (3) years from the date of final payment under the subcontract, unless otherwise specified in the contract.

Sec. 1-33. Reporting of anticompetitive practices.

If for any reason collusion or other anticompetitive practices are suspected among any bidders, offerors or respondents a notice of the relevant facts shall be transmitted to the Chief Procurement Officer. This section does not require a law enforcement agency conducting an investigation into such practices to convey such notice to the Chief Procurement Officer.

Sec. 1-34. Prospective vendors lists.

Sec. 1-35(1). The Chief Procurement Officer shall maintain a prospective vendors list. Inclusion of the name of a person shall not indicate whether the person is responsible concerning a particular procurement or otherwise capable of successfully performing a Fire Authority contract.

Sec. 1-35(2). Persons desiring to be included on the prospective vendors list may register with the department electronically. The department may remove a person from the prospective vendors list if it is determined that inclusion is not advantageous to the Fire Authority.

Sec. 1-35(3). It shall be the vendor's sole responsibility to ensure that vendor registration information is current and active.

Sec. 1-35. Contract form and execution.

All contracts entered into under this code not exceeding the amount established by Section 1-11(6) shall be executed in the name of the Fire Authority by the Chief Procurement Officer. Contracts entered into under this code exceeding the amount established by Section 1-11(6) approved by the Executive Committee shall be executed by the Fire Chief, approved as to form by the General Counsel to the Fire Authority and countersigned by the Clerk of the Authority.

Sec. 1-36. Assignment of rights and duties.

The Chief Procurement Officer shall have the rights and duties of the Fire Authority to contract for the purchase of all services, supplies, equipment and other personal property required by the Fire Authority in accordance with the code and all policies and procedures adopted by the Board of Directors, and administrative procedures approved by the Fire Chief, or as otherwise provided by law. Except in cases where the Board of Directors or the Executive Committee has retained authority, the purchase of services, supplies and equipment are not transferable or otherwise assignable without the written consent of the Chief Procurement Officer.

Sec. 1-37--1-40. Reserved.

ARTICLE IV. SPECIFICATIONS

Sec. 1-41. Definition.

As used in this article, "specification" is used interchangeably with "scope", "scope of services", or "scope of work" and means any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing, or preparing a material, service, or construction item for delivery.

Sec. 1-42. Maximum practicable competition.

Sec. 1-42(1). All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the Fire Authority's needs and shall not be unduly restrictive.

Sec. 1-42(2). To the extent practicable and unless otherwise permitted by this code, all specifications shall describe the Fire Authority's requirements in a manner that does not unnecessarily exclude a material, service, or construction item.

Sec. 1-42(3). Restrictive specifications shall not be used unless such specifications are required and it is not practicable or advantageous to use a less restrictive specification. The using department requesting a restrictive specification shall provide written evidence to support the restrictive specification. Past success in the material's performance, traditional purchasing practices, or inconvenience of drawing specifications do not justify the use of restrictive specifications.

Sec. 1-42(4). To the extent practicable, the Fire Authority shall use accepted commercial specifications and shall procure standard commercial materials.

Sec. 1-43. Specifications prepared by other than Fire Authority personnel.

The requirements of this code regarding the purposes and non-restrictiveness of specifications shall apply to all specifications prepared other than by Fire Authority personnel, including, but not limited to, those prepared by architects, engineers, designers, and consultants for public contracts, or subcontractors. No person preparing specifications shall receive any direct or indirect benefit from the utilization of such specifications.

Sec. 1-44. Brand name or equal specification.

A brand name or equal specification may be used to describe the standards of quality, performance, and other characteristics needed to meet the requirements of a solicitation, and which invites offers for equivalent products from a manufacturer.

Sec. 1-45. Brand name specification.

A brand name specification may be used to identify the sole acceptable item that meets the Fire Authority's needs. The using department requesting a brand name specification shall provide written evidence to support a brand name determination. A written determination by the Chief Procurement Officer of the basis for the brand name shall be maintained as public record. Past success in the material's performance, traditional purchasing practices, or inconvenience of drawing specifications do not justify the use of a brand name specification.

Sec. 1-46. Reserved.

**ARTICLE V.
PROCUREMENT OF PUBLIC WORKS PROJECTS AND
PROFESSIONAL DESIGN SERVICES**

Sec. 1-47. Definitions.

In this article, unless the context otherwise requires:

Sec. 1-47(1). "Capital improvement" means an outlay of funds for the acquisition or improvement of real property, which extends the life or increases the productivity of the real property.

Sec. 1-47(2). "Contractor" shall mean any corporation, partnership, individual, sole proprietorship, joint venture or other legal entity which enters into a contract to sell commodities, services, or construction services to the Fire Authority.

Sec. 1-47(4). "Construction project management" means those services provided by a licensed architect, registered engineer, or licensed general contractor.

Sec. 1-47(5). "Construction services" means either of the following for construction- manager-at-risk, and design-build project delivery methods:

- (a) Construction, excluding services, through the construction-manager-at-risk project delivery methods.
- (b) A combination of construction and, as elected by the Fire Authority, one or more related services, such as finance services, maintenance services, operations services, design services and preconstruction services, as those services are authorized in the definitions of construction- manager-at-risk, and design-build in this section.

Sec. 1-47(6). "Construction-manager-at-risk" means a project delivery method in which:

- (a) There is a separate contract for design services and a separate contract for construction services.
- (b) The contract for construction services may be entered into at the same time as the contract for design services or at a later time.

- (c) Design and construction of the project may be in sequential phases or concurrent phases.
- (d) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Sec. 1-47(7). "Cost" means the aggregate cost of all materials and services, including labor performed by force account.

Sec. 1-47(8). "Design-bid-build" means a project delivery method in which:

- (a) There is a sequential award of two (2) separate contracts.
- (b) The first contract is for design services.
- (c) The second contract is for construction.
- (d) Design and construction of the project are in sequential phases.
- (e) Finance services, maintenance services and operations services are not included.

Sec. 1-47(9). "Design-build" means a project delivery method in which:

- (a) There is a single contract for design services and construction services.
- (b) Design and construction of the project may be in sequential phases or concurrent phases.
- (c) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Sec. 1-47(10). "Design professional" means an architect or engineer, or both, duly licensed for professional practice, who may be employed by an owner for the purpose of designing a project.

Sec. 1-47(11). "Emergency for Public Projects" shall have the meaning provided in Public Contract Code Sections 22035 and 22050.

Sec. 1-47(12). "Facility" means any plant, building, structure, ground facility, real property, street, highway or other public work improvement.

Sec. 1-47(13). "Firm" means any individual, firm, partnership, corporation, association or other legal entity permitted by law to practice the profession of architecture, landscape architecture, engineering, environmental services, land surveying, or construction project management.

Sec. 1-47(14). "Finance services" means financing for a construction services project.

Sec. 1-47(15). "Force account" means work performed on public projects by the Fire Authority's regularly employed personnel.

Sec. 1-47(16). "Maintenance work" shall have the meaning provided in Public Contract Code Section 22002(d), as that section may be amended from time to time, and shall include the following:

- (a) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.

- (b) Minor repainting.
- (c) Resurfacing of streets and highways at less than one inch.
- (d) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

Sec. 1-47(17). "Preconstruction services" means advice during the design phase.

Sec. 1-47(18). "Professional design services" means architect services, engineering services, geologist services, landscape architect services, and land surveying service or any combination of those services that are legally required to be accomplished, reviewed, and approved by professionals registered to practice in the pertaining discipline in the State of California.

Sec. 1-47(19). "Professional engineer" refers to a person engaged in the professional practice of rendering service or creative work requiring education, training and experience in engineering sciences and the application of special knowledge of the mathematical, physical and engineering sciences in such professional or creative work as consultation, investigation, evaluation, planning or design of public or private utilities, structures, machines processes, circuits, buildings, equipment or projects, and supervision of construction for the purpose of securing compliance with specifications and design for any such work.

Sec. 1-47(20). "Public project" shall have the meaning provided in Public Contract Code Section 22002(c), as that section may be amended from time to time, and shall include the following:

- (a) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
- (b) Painting or repainting of any publicly owned, leased, or operated facility.
- (c) "Public project" does not include maintenance work.

Sec. 1-47(21). "Public works contract" means an agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

Sec. 1-47(22). "Solicitation" shall mean an invitation for bids, request for quotations, request for qualifications, or request for proposals issued by the Fire Authority for the purpose of requesting bids, quotes or proposals to perform a contract.

Sec. 1-47(23) "Uniform Public Construction Cost Accounting Act" is an alternative method for public project work performed or contracted by public entities in California as defined by Public Contract Code Section 22000 et seq. The Fire Authority adopted the alternative informal bidding procedures on February 22, 1996 establishing informal bidding procedures for public works.

Sec. 1-48 Procurement of public projects.

Sec. 1-48(1). Procurement of public projects, in accordance with the limits listed in Section 22302 of the Public Contract Code, as those limits may be amended from time to time, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code. Nothing herein contained, however, shall preclude the Fire Authority from utilizing more restrictive procedures if, and when required by federal or state law, where federal or state funds are involved in the contract to be awarded or when the Chief Procurement Officer determines it is in the best interest

of the Fire Authority.

Sec. 1-48(2). Contracts for construction shall be solicited through a competitive sealed bid process except as otherwise provided for in Sections 1-52 (procurement of construction services), 1-20 (small purchases), 1-21 (sole source procurement), and 1-22 (emergency procurements). The Chief Procurement Officer shall award contracts for public projects in accordance with the requirements of Public Contract Code Section 22000 et seq. and this code.

Sec. 1-48(3). Force Account and informal bidding procedures. Public works projects of the amount set forth in Public Contract Code Section 22032(a), as amended from time to time, may be performed by the employees of the Fire Authority, by negotiated contract, or by purchase order.

Sec. 1-48(4). Informal bidding procedures. Public works projects of the amount set forth in Public Contract Code Section 22032(b), as amended from time to time, may be let to contract by informal bidding procedures as set forth in Section 1-49(1).

Sec. 1-48(5). Formal bidding procedures. Public projects exceeding the amount set forth in Public Contract Code Section 22032(c), as may be amended from time to time, shall be let to contract by formal bidding procedures as set forth in Section 1-50.

Sec. 1-48(6) Payment bond. In accordance with the Civil Code Section 9550 et seq. all public works bids involving an expenditure in excess of twenty-five thousand dollars (\$25,000) shall require a payment bond in an amount not less than 100 percent of the total amount payable pursuant to the public works contract.

Sec. 1-49. Public project informal bidding procedures.

Sec. 1-49(1). Public projects which are subject to the informal bidding procedures as set forth in Section 1-48, shall be awarded to the lowest responsible bidder in accordance with the Public Contract Code Section 22000 et seq.

Sec. 1-49(2). Contractors list. The Fire Authority shall maintain a list of qualified contractors, identified according to categories of work. The development and maintenance of the list shall be in accordance with the provisions in the Public Contract Code Section 22034 and criteria established from time to time by the California Uniform Construction Cost Accounting Commission.

Sec. 1-49(3). Notice inviting informal bids. All contractors on the list of qualified contractors for the category of work to be bid or all construction trade journals as specified in the Public Contract Code Section 22036, or both, shall be sent a notice inviting informal bids unless the product or service delivery is proprietary. Additional contractors and/or construction trade journals may be notified at the discretion of the Chief Procurement Officer. If there is no list of qualified contractors maintained by the Fire Authority for the particular category of work to be performed, the notice shall be sent to the construction trade journals specified by the Commission.

Sec. 1-49(4). Sending notices and descriptions of project. All sending of notices to contractors and construction trade journals pursuant to Section 1-49(3) shall be completed not fewer than ten calendar days before bids are due. The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.

Sec. 1-49(5). Award of informal bids. The Chief Procurement Officer is authorized to award informal bids for public projects.

Sec. 1-49(6). Bids in excess of the formal bid limit. If all bids received are in excess of the amount set forth in Public Contract Code Section 22032(b), as may be amended from time to time, the Board of Directors may by passage of a resolution by a four-fifths vote, award the contract, to the lowest responsible bidder, if it determines the cost estimate was reasonable and the contract amount will not exceed the amount set forth in Public Contract Code Section 22034(d), as may be amended from time to time.

Sec. 1-50. Public project formal bidding procedures.

Sec. 1-50(1). Public projects which are subject to formal bidding procedures, shall be awarded to the lowest responsive and responsible bidder in accordance with the procedures set forth in this section.

Sec. 1-50(2). Notice inviting formal bids. The notice inviting bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least fourteen (14) calendar days before the date of opening the bids, in a newspaper of general circulation within the jurisdiction of the Fire Authority. The notice inviting formal bids shall also be sent electronically to all construction trade journals specified for the County of Orange in the Public Contract Code Section 22036 at least fifteen (15) calendar days before the date of bid opening. In addition to notice required by this section, the Fire Authority may give other notice as it deems proper.

Sec. 1-50(3). Adopt plans. The Board of Directors of the Fire Authority shall adopt plans, specifications, and working details for all public projects as required by Public Contract Code 22039, exceeding the amount specified in the Public Contract Code Section 22032(c).

Sec. 1-50(4). Bidder security. All formal public projects shall require bidder's security as required by state law. Bid security shall be in an amount equal to at least ten percent of the amount bid, or such other amount as may be set forth in Public Contract Code Section 20171, as may be amended from time to time. Any bid bond submitted shall be executed by an admitted surety insurer which meets the rating requirements established by the risk manager or designee, made payable to the Fire Authority.

Sec. 1-50(5). Prequalification. The Fire Authority may require bidders to meet certain criteria in order to be placed upon a bidder's list to bid on formal public projects.

Sec. 1-50(6). Award of formal bids. The Board of Directors of the Fire Authority shall award all formal public works projects.

Sec. 1-51. Procurement of professional design services.

Contracts for professional design services shall be solicited and selected in accordance with Government Code Section 4525 et seq. through a request for qualifications.

Sec. 1-52. Procurement of construction services.

Contracts for construction services shall be solicited through a design-bid build or a design-build process in accordance with Public Contract Code Section 22160 et seq. except as otherwise provided for in Section 1-53. The Board of Directors or delegated authority shall award all contracts for construction services in accordance with the state requirements and this code.

Sec. 1-53. Public project emergencies procedure.

In cases of emergency, when repair or replacements are necessary to permit the continued conduct of the operation or services of the Fire Authority or to avoid danger to life or property, the Chair or Vice Chair

of the Board of Directors, after making a finding that the emergency will not permit a delay resulting from a competitive solicitation for bids and, that the action is necessary to respond to the emergency, may by a four-fifths vote, proceed at once to replace or repair any public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services and supplies for those purposes, without giving notice for bids to let contracts. The Fire Chief shall have the power to declare a public emergency when it is impractical to convene a meeting of the Board of Directors, subject to confirmation by the Board, by a four-fifths vote, at its next meeting and reviewed at least at every regularly scheduled meeting thereafter until the action is terminated. This procedure shall be subject to any other requirements of Public Contract Code Sections 22035 and 22050, as may be amended from time to time.

Sec. 1-54--1-57. Reserved.

ARTICLE VI. CONTRACT TERMS AND CONDITIONS

Sec. 1-58. Contract terms and conditions.

All Fire Authority contracts shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The Chief Procurement Officer shall have the authority to establish and modify any such terms and conditions.

Secs. 1-59--1-61. Reserved.

ARTICLE VII. COST PRINCIPLES

Sec. 1-62. Cost principles.

The Chief Procurement Officer shall establish cost principles which shall be used to determine the allowability of incurred costs for the purpose of reimbursing costs under contract provisions which provide for the reimbursement of costs.

Sec. 1-63. Cost or pricing data.

The submission of current cost or pricing data may be required in connection with any award, change order or contract modification.

Secs. 1-64, 1-65. Reserved.

ARTICLE VIII. MATERIALS MANAGEMENT

Sec. 1-66. Definitions.

In this article, unless the context otherwise requires:

Sec. 1-66(1). "Property" means controlled fixed assets including supplies, materials or equipment with a useful life of more than one (1) year and value greater than \$5,000.

Sec. 1-66(2). "Property transfer" means the transfer of controlled fixed assets between using agencies or transfer of property to or from the surplus property program.

Sec. 1-66(3). "Surplus property" means property no longer needed by using department for their operations, property in poor or non-working condition, or property that is a by-product (e.g. scrap metal, used tires and oil, etc.).

Sec. 1-67. Materials management guidelines.

The Chief Procurement Officer shall establish guidelines as may be required governing:

Sec. 1-67(1). The transfer of surplus property and operation of the surplus property program.

Sec. 1-67(2). The sale or disposal of surplus property, by auction, competitive sale or other authorized method.

Sec. 1-67(3). The trade-in of surplus property for purchase of new equipment.

Sec. 1-68. Inventory management.

The Chief Procurement Officer shall manage the Fire Authority service center which provides warehousing services including inventory management, shipping, receiving, storing, issuing and servicing of supplies and inventory for the Fire Authority. The Chief Procurement Officer will establish policies and procedures required for efficient and effective operation of the inventory system including the purchase of inventory, sale or other disposal of inventory items no longer needed, delivery and other services provided to using agencies.

Sec. 1-69. Disposition of surplus property.

Sec. 1-69(1). The Chief Procurement Officer will operate a surplus property program for the purpose of receiving, storing, transferring, or selling surplus property no longer needed by using agencies.

Sec. 1-69(2). Using agencies shall request department authorization to transfer controlled fixed assets to another using department, or to request transfer of property into or from the surplus property program.

Sec. 1-69(3). Unless otherwise provided for, surplus property no longer needed by any using department shall be offered through competitive sale to the highest responsible bidder.

Sec. 1-69(4). Unless otherwise provided, all proceeds from the sale of surplus property will be deposited into the Fire Authority's general fund. Proceeds from sale of enterprise, federal, grant or other special designation property will be reimbursed, less pro-rated selling expenses, to the appropriate fund, after completion of each sale.

Sec. 1-69(5). If surplus property has an estimated value of less than five thousand dollars (\$5,000) and it is proposed that the property may be donated, the Chief Procurement Officer has the authority to determine whether the proposed donation of the surplus property to another local agency or non-profit organization meets the intent of the California Constitution whereby when a public agency gives a surplus item to another organization, the item must be used for a public purpose of interest and benefit generally to the people of the agency's jurisdiction and in keeping with the agency's purpose. Said donations shall require the prior approval of the Fire Chief and a release of liability to the Fire Authority from the agency accepting the donated surplus property. Any request for donation with a fair market value exceeding five thousand dollars (\$5,000) shall require prior approval by the Board of Directors or the Executive Committee.

Sec. 1-69(6). If surplus property is deemed to have historical significance by the Fire Chief and or/his designee, the historical property will be transferred and placed in the custody of a designated

section manager for safe keeping.

Secs. 1-70--1-74. Reserved.

ARTICLE IX. LEGAL AND CONTRACTUAL REMEDIES

Sec. 1-75. Definitions.

In this article, unless the context otherwise requires:

Sec. 1-75(1). "Adequate evidence" means more than mere accusation but less than substantial evidence. Consideration shall be given to the amount of credible information available, reasonableness in view of surrounding circumstances, corroboration, and other inferences that may be drawn from the existence or absence of affirmative facts.

Sec. 1-75(2). "Contract claim" means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, payment in a sum certain, adjustment or interpretation of contract terms, or other relief arising under or relating to the contract.

Sec. 1-75(3). "Filed" means delivery to the contract officer or to the Chief Procurement Officer, whichever is applicable. A time and date of receipt shall be documented in a verifiable manner for purposes of filing.

Sec. 1-75(4). "Governing instruments" means those legal documents that establish the existence of an organization and define its powers including articles of incorporation or association, constitution, charter and by-laws.

Sec. 1-75(5). "Interested party" means an actual or prospective bidder, respondent or offeror whose economic interest may be affected substantially and directly by the issuance of a solicitation, the award of a contract or by the failure to award a contract. Whether an economic interest exists will depend upon the circumstances of each case. An interested party does not include a supplier, subconsultant or subcontractor to an actual or prospective bidder, respondent or offeror.

Sec. 1-75(6). "Receipt" means the earlier of actual receipt or the first attempted delivery by certified mail, or by any other means that provides evidence of the attempt, to the persons last known address.

Sec. 1-75(7). "Substantial evidence" means such relevant evidence as a reasonable person might accept as sufficient to support a particular conclusion.

Sec. 1-76. Authority of the Chief Procurement Officer.

The Chief Procurement Officer shall have the authority to settle and resolve protests and contract claims. Appeals from the decisions of the Chief Procurement Officer may be made to the Fire Chief pursuant to the provisions of this article.

Sec. 1-77. Right to protest.

Any actual interested party who is aggrieved in connection with the solicitation or award of a contract may

protest to the Chief Procurement Officer.

Sec. 1-78. Filing of a protest.

Sec. 1-78 (1). "Content of protest". The protest shall be in writing and shall include the following information:

- (a) The name, address, telephone number and email address of the protestant;
- (b) The signature of the protestant or its representative;
- (c) Identification of the solicitation or contract number;
- (d) A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- (e) The form of relief requested.

Sec. 1-79. Time for filing protests.

Sec. 1-79(1). Protests concerning improprieties in a solicitation. Protests based upon alleged improprieties in a solicitation that are apparent before the solicitation due date shall be filed not less than five (5) working days before the solicitation due date.

Sec. 1-79(2). In cases other than those covered in subsection (1) of this section, protests shall be filed within seven (7) days after the aggrieved person knows or should have known of the facts giving rise thereto; however, in no event shall the protest be filed later than seven (7) days after issuance of intent to award.

Sec. 1-79(3). The Chief Procurement Officer, without waiving the Fire Authority's right to dismiss the protest for lack of timeliness, may consider any protest that is not filed timely.

Sec. 1-79(4). The Chief Procurement Officer shall give notice of the protest to the successful contractor if award has been made or, if no award has been made, to all interested parties. Interested parties have the right to intervene.

Sec. 1-80. Stay of procurements during the protest.

In the event of a timely protest under Section 1-79, the Fire Authority may proceed further with the solicitation or with the award of the contract unless the Chief Procurement Officer makes a written determination that there is a reasonable probability that the protest will be sustained or that the stay of procurement is not contrary to the substantial interests of the Fire Authority.

Sec. 1-81. Confidential information.

Sec. 1-81(1). Material submitted by a protestant shall not be withheld from any interested party except to the extent that the withholding of information is permitted or required by law or as determined pursuant to Section 1-6.

Sec. 1-81(2). If the protestant believes the protest contains material that should be withheld, a statement advising the Chief Procurement Officer of this fact shall accompany the protest submission in accordance with Section 1-6.

Sec. 1-82. Decision by the Chief Procurement Officer.

Sec. 1-82(1). The Chief Procurement Officer shall issue a written decision within fourteen (14) days after a protest has been filed pursuant to Section 1-78. The decision shall contain an explanation of the basis of the decision.

Sec. 1-82(2). The Chief Procurement Officer shall furnish a copy of the decision to the protestant, by e-mail and/or certified mail, return receipt requested, or by any other method that provides evidence of receipt.

Sec. 1-82(3). The time limit for decisions set forth in subsection (1) of this section may be extended by the Fire Chief for a reasonable time not to exceed thirty (30) days. The Chief Procurement Officer shall notify the protestant in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

Sec. 1-82(4). If the Chief Procurement Officer fails to issue a decision within the time limits set forth in subsection (1) or (3) of this section, the protestant may proceed as if the Chief Procurement Officer had issued an adverse decision.

Sec. 1-82(5). The Chief Procurement Officer's decision shall contain a statement regarding the appeals process that is available pursuant to this article.

Sec. 1-83. Remedies.

Sec. 1-83(1). If the Chief Procurement Officer sustains the protest in whole or part and determines that a solicitation, evaluation process, proposed contract award, or contract award does not comply with the procurement code, the Chief Procurement Officer shall implement an appropriate remedy.

Sec. 1-83(2). In determining an appropriate remedy, the Chief Procurement Officer shall consider all the circumstances surrounding the procurement or proposed procurement including, but not limited to:

- (a) The seriousness of the procurement deficiency;
- (b) The degree of prejudice to other interested parties or to the integrity of the procurement process;
- (c) The good faith of the parties;
- (d) The extent of performance;
- (e) Costs to the Fire Authority;
- (f) The urgency of the procurement; and
- (g) The impact of the relief on the using department's mission.

Sec. 1-83(3). An appropriate remedy may include one or more of the following:

- (a) Reject all bids, responses or proposals;
- (b) Terminate the contract;

- (c) Reissue the solicitation;
- (d) Issue a new solicitation;
- (e) Award a contract consistent with the procurement code;
- (f) Such other relief as is determined necessary to ensure compliance with the General Law and this code.

Sec. 1-84. Appeals to the Fire Chief.

Sec. 1-84(1). Appeal. An appeal from a decision entered or deemed to be entered by the Chief Procurement Officer shall be filed with the Fire Chief within seven (7) days from the date the decision is issued. The appellant shall also file a copy of the appeal with the Chief Procurement Officer.

Sec. 1-84(2). Content of appeal. The appeal shall contain:

- (a) The information set forth in Section 1-78, including the identification of confidential information in the manner set forth in Section 1-81;
- (b) A copy of the decision of the Chief Procurement Officer; and
- (c) The precise factual or legal error in the decision of the Chief Procurement Officer from which an appeal is taken.

Sec. 1-85. Notice of appeal.

Sec. 1-85(1). The Fire Chief shall give notice of the appeal to the successful contractor if award has been made or, if no award has been made, to interested parties. Such interested parties shall have the right to request copies of the appeal and to intervene in the proceedings.

Sec. 1-85(2). The Fire Chief shall, upon request, furnish copies of the appeal to those named in subsection (1) of this section subject to the provisions of Section 1-81.

Sec. 1-86. Stay of procurement during appeal.

If an appeal is filed during the procurement and before an award of a contract and the procurement or award of the contract was stayed by the Chief Procurement Officer pursuant to Section 1-80, the filing of an appeal shall automatically continue the stay unless the Fire Chief makes a written determination that the procurement or award of the contract without delay is necessary to protect substantial interests of the Fire Authority.

Sec. 1-87. Chief Procurement Officer's report.

Sec. 1-87(1). Report. The Chief Procurement Officer shall file a report on the appeal with the Fire Chief within seven (7) days from the date the appeal is filed. At the same time, Chief Procurement Officer shall furnish a copy of the report to the appellant by e-mail and/or certified mail, return receipt requested or any other method that provides evidence of receipt, and to any interested parties who have responded to the notice given pursuant to Section 1-85(2). The report shall contain copies of:

- (a) The appeal;
- (b) Any other documents that are relevant to the protest; and

- (c) A statement by the Chief Procurement Officer setting forth findings, actions, recommendations and any additional evidence or information necessary to determine the validity of the appeal.

Sec. 1-87(2). Extension for filing of report.

- (a) The Chief Procurement Officer may request in writing an extension of the time period setting forth the reason for extension.
- (b) The Fire Chief's determination on the request shall be in writing, state the reasons for the determination and, if an extension is granted, set forth a new date for the submission of the report. The Chief Procurement Officer shall notify the appellant in writing that the time for the submission of the report has been extended and the date by which the report will be submitted.

Sec. 1-87(3). Comments on report.

- (a) The appellant shall file comments on the Chief Procurement Officer's report with the Fire Chief within seven (7) days after receipt of the report. Copies of the comments shall be provided by the appellant to the Chief Procurement Officer and all other interested parties. The comments must contain a statement or confirmation as to the appellant's requested form of relief.
- (b) The Fire Chief may grant an extension on the time period to file comments pursuant to a written request made by the appellant within the period set forth in subsection (3)(a) of this section stating the reason an extension is necessary. The Fire Chief's determination on the request shall be in writing, state the reasons for the determination and, if the extension is granted, set forth a new date for the filing of comments. The Fire Chief shall notify the Chief Procurement Officer of any extension.

Sec. 1-88. Dismissal by the Fire Chief.

The Fire Chief shall dismiss, upon a written determination, an appeal if:

Sec. 1-88(1). The appeal does not state a valid basis, including a detailed statement of the legal and factual grounds, for protest; or

Sec. 1-88(2). The appeal is untimely pursuant to Section 1-84(1).

Sec. 1-89. Remedies.

If the Fire Chief sustains the appeal in whole or part and determines that a solicitation, evaluation process, proposed award, or award does not comply with the general law and/or this code, remedies may be implemented pursuant to Section 1-83.

Sec. 1-90. Filing of a contract claim.

Sec. 1-90(1). "Content of claim". The claim shall be in writing and shall include the following information:

- (a) The name, address, telephone number and email address of the claimant;
- (b) The signature of the claimant or its representative;
- (c) Identification of the solicitation or contract number;

- (d) A detailed statement of the legal and factual grounds of the claim including copies of relevant documents; and
- (e) The form of relief requested.

Sec. 1-91. Chief Procurement Officer's decision.

Sec. 1-91(1). Written decision. If a contract claim cannot be resolved by mutual agreement, the Chief Procurement Officer shall, upon a written request by the contractor for a final decision, issue a written decision no more than sixty (60) days after the request is filed. Before issuing a final decision, the Chief Procurement Officer shall review the facts pertinent to the contract claim or controversy and secure any necessary assistance from legal, financial, procurement, and other advisors.

Sec. 1-91(2). Final decision. The Chief Procurement Officer shall furnish a copy of the decision to the contractor, by certified mail, return receipt requested, or by any other method that provides evidence of receipt. The decision shall include:

- (a) A description of the claim;
- (b) A reference to the pertinent contract provision;
- (c) A statement of the factual areas of agreement or disagreement;
- (d) A statement of the Chief Procurement Officer's decision, with supporting rationale;
- (e) A statement regarding the appeals process that is available pursuant to this article.

Sec. 1-92. Issuance of a timely decision.

Sec. 1-92(1). The time limit for decisions set forth in Section 1-91(1) may be extended for good cause. The Chief Procurement Officer shall notify the contractor in writing that the time for the issuance of a decision has been extended and the date by which a decision is anticipated.

Sec. 1-92(2). If the Chief Procurement Officer fails to issue a decision within sixty (60) days after the request on a claim is filed or within the time prescribed under subsection (1) of this section, the contractor may proceed as if the Chief Procurement Officer had issued an adverse decision.

Sec. 1-93. Appeals to the Fire Chief.

Sec. 1-93(1). Appeal of final decision. An appeal of a final decision of a Chief Procurement Officer on a claim shall be filed with the Fire Chief within five (5) days from the date the decision is received. The appellant shall also file a copy of the appeal with the Chief Procurement Officer.

Sec. 1-93(2). Content of appeal. The appeal shall contain a copy of the decision of the Chief Procurement Officer and the basis for the precise factual or legal error in the decision of the Chief Procurement Officer from which an appeal is taken.

Sec. 1-93(3). Final decision, mediation service or arbitration. The Fire Chief may make the final decision in accordance with Section 1-97 or to refer to mediation services in accordance with Section 1-95 or refer to arbitration in accordance with Section 1-96.

Sec. 1-94. Fire Authority claims against a contractor.

All contract claims asserted by the Fire Authority against a contractor that are not resolved by mutual agreement shall promptly be referred by the Chief Procurement Officer to the Fire Chief for a final decision in accordance with Section 1-97, or mediation, in accordance with Section 1-95, or arbitration in accordance with Section 1-96.

Sec. 1-95. Mediation.

Contract claims may be resolved utilizing mediation services if the Fire Chief determines the use of such services is in the best interest of the Fire Authority.

Sec. 1-96. Arbitration.

Contract claims may be resolved utilizing arbitration if the Fire Chief determines the use of arbitration is in the best interest of the Fire Authority. The claim shall be settled by arbitration in accordance with the current construction industry arbitration rules of the American Arbitration Association or, at the option of the Fire Authority, in accordance with the provisions of the California Arbitration Act (CAA) (Cal. Civ. Proc. Code §§ 1280-1294.2) or the Federal Arbitration Act (FAA) (9 U.S.C. §§ 1-16, 201-208, 301-307).

Sec. 1-97. Final decision by the Fire Chief.

Sec. 1-97(1). The Fire Chief may affirm, modify, or reject the Chief Procurement Officer's decision in whole or in part, or make any other appropriate disposition.

Sec. 1-97(2). A decision by the Fire Chief shall be final. The decision shall be sent to all parties by e-mail, certified mail, return receipt requested or by any other method that provides evidence of receipt. If a stay was issued, the final decision by the Fire Chief shall lift any such stay, unless the Fire Chief determines that the continued stay is necessary to protect the substantial interest of the Fire Authority.

Sec. 1-98. Judicial review of protests or claims.

Any decision of the Fire Chief regarding a protest (§ 1-77 et seq.) or claim (§ 1-90 et seq.) under this code shall be final. Exhaustion of the procedures set forth in this code shall be a condition precedent to any person seeking judicial review of a final decision by the Fire Chief.

Sec. 1-99. Exclusive remedy.

Notwithstanding any law to the contrary, this article shall provide the exclusive procedure for asserting a claim or cause of action against the Fire Authority arising in relation to any procurement conducted under this code.

Secs. 1-100--1-115. Reserved.

ARTICLE X. COOPERATIVE PURCHASING

Sec. 1-116. Definitions.

In this article, unless the context otherwise requires:

Sec. 1-116(1). "Cooperative purchasing" means procurement conducted by, or on behalf of, more than one public procurement unit.

Sec. 1-116(2). "Eligible public procurement unit" means any state, county, city, town, and any other political subdivision, public authority, educational, health or other institution, and to the extent provided by law, any other entity which expends public funds for the procurement of supplies,

services and construction, and any not-for-profit entity.

Sec. 1-117. Applicability.

Agreements entered into pursuant to this article shall be limited to the areas of procurement, warehousing or materials management.

Sec. 1-118. Cooperative purchasing authorized.

The Fire Authority may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any materials, services, or construction with one or more eligible procurement units in accordance with an agreement entered into between the participants. Such cooperative purchasing may include, but is not limited to joint or multi-party contracts between public procurement unit and open-ended public procurement unit contracts that are made available to other public procurement units. Parties under a cooperative purchasing agreement may:

Sec. 1-118(1). Sponsor, conduct or administer a cooperative agreement for the procurement or disposal of any materials, services, or construction.

Sec. 1-118(2). Cooperatively use materials or services.

Sec. 1-118(3). Commonly use or share warehousing facilities, capital equipment and other facilities.

Sec. 1-118(4). Provide personnel, except that the requesting eligible procurement unit may pay the public procurement unit providing the personnel the direct and indirect cost of providing the personnel, in accordance with the agreement.

Sec. 1-118(5). On request, make available to other eligible public procurement units informational, technical or other services that may assist in improving the efficiency or economy of procurement. The public procurement unit furnishing the informational or technical services has the right to request reimbursement for the reasonable and necessary costs of providing such services.

The activities described in paragraphs (1) through (5) do not limit the activities of parties under a cooperative purchasing agreement.

Sec. 1-119. Cooperative purchasing source selection methods.

All cooperative purchasing conducted under this Article shall be through contracts awarded by a public agency through full and open competition, including use of source selection methods substantially equivalent to those specified in Article III (Source Selection and Contract Formation) of this code.

Secs. 1-120, 1-121. Reserved.

**ARTICLE XI.
RESERVED**

Secs. 1-122--1-126. Reserved.

**ARTICLE XII.
ETHICS IN PUBLIC CONTRACTING**

Sec. 1-127. Procurement Ethics Standards

Sec. 1-127(1). The Chief Procurement Officer, as well as those involved in Fire Authority procurement shall discharge their duties in accordance with high ethical standards by practicing their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust.

Sec 1-127(2). The Chief Procurement Officer, as well as those involved in Fire Authority procurement, shall be subject to the Conflict of Interest Code and subsequent amendments adopted by the Fire Authority.

Sec. 1-127(3). The Chief Procurement Officer shall adopt a Procurement Ethics Policy and Procedures applicable to all Fire Authority procurement functions.

Secs. 1-128--1-130. Reserved.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 3B
Consent Calendar

**Coverage of Volunteers under the OCFA Self-Insured Workers'
Compensation Program**

Contact(s) for Further Information

Brian Young, Assistant Chief
Organizational Planning Department

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714.573.6014

Jonathan Wilby, Risk Manager
Human Resources Department

jonathanwilby@ocfa.org

714.573.6832

Summary

This item is submitted to rescind Resolution No. 2012-08 and adopt the proposed Resolution to provide workers' compensation coverage for volunteers under the Orange County Fire Authority's (OCFA's) self-insured and excess workers' compensation program.

Prior Board/Committee Action – Committee Recommendation: *APPROVE*

The Board adopted Resolution No. 95-2A in 1995 that covered volunteers under the OCFA's workers' compensation program. On September 27, 2012, the Board rescinded Resolution No. 95-2A and adopted Resolution No. 2012-08 to provide volunteers medical insurance coverage under a separate policy.

At its regular May 3, 2016, meeting, the Human Resources Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

1. Rescind Resolution No. 2012-08 in its entirety.
2. Adopt the proposed Resolution entitled: A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE INCLUSION OF VOLUNTEERS WITHIN ITS WORKERS' COMPENSATION INSURANCE PROGRAM to provide workers' compensation coverage to volunteers under the OCFA's self-insured and excess workers' compensation program.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

The OCFA uses community volunteers who perform non-operational or non-emergency roles in the Fire Corps Volunteer Program. Additionally, current safety employees volunteer their time as Post Advisors under the Fire Explorer Program. The Fire Explorer Program is through the Boy Scouts of America Learning for Life and gives young people valuable insight into the firefighting profession that allows them to decide whether or not to pursue a greater role in the fire service.

Labor Code 3363.5 allows public employers to choose to extend workers' compensation coverage to volunteers that perform services for the organization through adoption of a resolution by the governing body of the agency. Following the establishment of the OCFA in 1995, Resolution No. 95-2A was adopted that included volunteers under the workers' compensation and excess insurance program.

On September 27, 2012, the Board approved rescinding Resolution No. 95-2A and adopted Resolution No. 2012-08 that provided medical coverage to volunteers through a separate medical insurance policy. The recommendation was brought to the Board because a medical insurance policy is low cost and could transfer the potentially expensive associated costs for medical treatment to an insurance carrier and not impact the workers' compensation cost.

The recommendation is true, on the surface, but exposes the OCFA to a significant amount of additional liability. Workers' compensation is a no-fault system, and with few exceptions, the exclusive remedy for injuries and illnesses suffered while working. If volunteers are covered, they will be entitled to the same benefits as any paid staff. Workers' compensation benefits are finite and limited to medical, disability, and retraining costs associated with a specific impairment. If volunteers are excluded from workers' compensation coverage, they can seek remedy in the civil court system. The court may award compensation for pain and suffering plus other damages. While the volunteer must prove fault, the civil awards are often much higher than the corresponding workers' compensation benefits.

An unintended consequence of not covering volunteers under the workers' compensation program is that current employees volunteering as Fire Corp Post Advisors are concerned about being injured and the limited benefits under the medical insurance policy. The benefits currently provided would impact their ability to provide for their families and may cause some of them to resign from volunteering in this valuable program.

Attachment(s)

Proposed Resolution

RESOLUTION NO. 2016-XX

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY
BOARD OF DIRECTORS AUTHORIZING THE INCLUSION OF
VOLUNTEERS WITHIN ITS WORKERS' COMPENSATION
INSURANCE PROGRAM**

RECITALS

WHEREAS, the Orange County Fire Authority Board of Directors adopted in 2012 Resolution No. 2012-08 to replace the existing workers' compensation insurance coverage for volunteers with a work related insurance policy for volunteers; and

WHEREAS, the Orange County Fire Authority has self-insured for workers' compensation purposes; and

WHEREAS, Labor Code Section 3363.5 provides that in addition to and notwithstanding other Labor Code sections, the Orange County Fire Authority by Resolution may declare that unpaid volunteers, as defined in Labor Code Section 3363.5, are deemed to be employees of the Orange County Fire Authority for workers' compensation purposes.

NOW THEREFORE BE IT RESOLVED, that the Orange County Fire Authority Board of Directors of the does hereby resolve as follows:

1. Resolution No. 2012-08 is rescinded in its entirety.
2. A person who performs voluntary service without pay for the Orange County Fire Authority (as designated and authorized by OCFA) hereby is deemed to be an Orange County Fire Authority employee for workers' compensation set out in Labor Code Section 3363.5.

PASSED, APPROVED and ADOPTED this ____th day of _____ 2016.

GENE HERNANDEZ, CHAIR
OCFA Board of Directors

ATTEST:

SHERRY A.F. WENTZ, CMC
Clerk of the Authority



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 3C
Consent Calendar

**Secured Fire Protection Agreement for
for Public Storage (Irvine)**

Contact(s) for Further Information

Brian Young, Assistant Chief Organizational Planning Department	brianyoung@ocfa.org	714.573.6014
Tamera Rivers, Management Analyst	tamyrrivers@ocfa.org	714.573.6199

Summary

This item is submitted to authorize the Fire Chief to execute Secured Fire Protection Agreement (SFPAs) with PS Southern California One related to the Public Storage Project, Irvine.

Prior Board/Committee Action(s)

No committee action required or requested.

RECOMMENDED ACTION(S)

1. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreement with PS Southern California One related to the Public Storage Project, Irvine.
2. Direct the Clerk of the Authority to record the Secured Fire Protection Agreement in the Official Records of the County of Orange, and furnish the developer a copy of the conformed documents within fifteen days of recordation.

Impact to Cities/County

This agreement has no negative impacts to any of our member cities or the County.

Fiscal Impact

Revenue received from this agreement will be assigned to the Capital Improvement Program in Fund 123. Revenue produced by full entitlements on the Public Storage project is estimated to be \$69,600.

Background

The SFPA defines the fair share contributions needed to adequately serve the intended development and current communities adjacent to the project area. The fair share contributions are \$600 per equivalent unit and are intended to cover a pro rata share of costs associated with providing fire protection infrastructure to the new development. Payment will be made to OCFA after the agreement is signed and recorded and prior to the first building permit. The proposed agreement should provide OCFA and the developer with the ability to make long-range plans and decisions with respect to both infrastructure costs and operational costs associated with the development. This SFPA provides OCFA with the necessary assurances needed to complete work/review on enhancements to the regional emergency fire services delivery system.

Public Storage 16452 Construction Circle East, Irvine, CA 92606

PS Southern California One is developing Public Storage 16452 Construction Circle East in the City of Irvine. This project will provide the equivalent of 116 units in the project area. The SFPA is a required condition for project approval as per the Irvine Business Community adopted Environmental Impact Report (EIR), and is in the standard form and at the standard per unit cost required for new development. Staff contemplates using the fees to rebuild Fire Station 28 (Irvine). Estimated revenue for the project is \$69,600.

Attachment(s)

Proposed Secured Fire Protection Agreement

SECURED FIRE PROTECTION AGREEMENT

by and between the

ORANGE COUNTY FIRE AUTHORITY,
A CALIFORNIA JOINT POWERS AUTHORITY

and

PS SOUTHERN CALIFORNIA ONE.,
a Delaware corporation

Effective Date: May 26, 2016

Project Name: PUBLIC STORAGE 16452 CONSTRUCTION CIRCLE EAST,
IRVINE, CA 92606

ORANGE COUNTY FIRE AUTHORITY
SECURED FIRE PROTECTION AGREEMENT
WITH

PS SOUTHERN CALIFORNIA ONE

This Secured Fire Protection Agreement ("Agreement") is made between the Orange County Fire Authority, a California Joint Powers Authority ("OCFA") and PS SOUTHERN CALIFORNIA ONE, Inc., a Delaware corporation ("Company"), and is effective as of May 26, 2016.

RECITALS

A. OCFA is a governmental entity, organized as a California Joint Powers Authority, providing fire protection and life safety services to over one million residents within the County of Orange ("County"), including the City of Irvine ("City") and all of the real property described in this Agreement.

B. This Agreement covers real property owned by Company located within the County of Orange and the City of Irvine as of the date of this Agreement, all as described on Exhibit A attached hereto. The extent of Company development for which fire protection services will be provided by Authority shall cover all of the property subject to Parcel 1, of PMB 74/13-16.

C. Company's development of the Project Area is subject to the general development requirements and conditions (collectively, the "City Conditions") related to the provision for emergency response, fire protection services, equipment and facilities imposed by the City. The City Conditions generally include requirements for Company to enter into agreements with OCFA to ensure that Company will provide for and contribute its *pro rata* fair share costs of emergency response, fire protection services, equipment and facilities for the benefit of residents residing within the Project Area.

D. OCFA and Company believe that this Agreement contains adequate safeguards to ensure OCFA's ability to enforce the obligations of this Agreement and protect the public interest.

AGREEMENT

Based upon the foregoing Recitals and in consideration of the covenants and conditions contained in this Agreement, the parties agree to timely perform each of their respective obligations as set forth herein.

SECTION 1. DEFINITIONS

Unless the context otherwise requires, wherever in this Agreement the following terms are used, the intent and meaning shall be interpreted as provided herein.

"Agreement" means this Secured Fire Protection Agreement, including the attached Exhibits between OCFA and the Company.

"OCFA" means the Orange County Fire Authority, a governmental entity and California joint powers authority.

"City" means the City of Irvine, a member of OCFA.

"Company" means PS SOUTHERN CALIFORNIA ONE, Inc., a Delaware corporation.

"City Conditions" means the general development requirements and conditions related to the provision of emergency response, fire protection services, equipment and facilities imposed by the City as conditions of approval on development projects proposed or undertaken in the City by Company.

"Effective Date" means the date this Agreement is approved by the OCFA Board of Directors.

"Fee" means the most current fee, as approved by OCFA or its successors or predecessors in interest, or as may be adopted by OCFA or its successors from time to time, for the funding in whole or in part of emergency response, fire protection services, equipment and facilities within the jurisdiction of OCFA.

"Project Area" means the property owned by Company within the City as of the date of this Agreement, and as more particularly described in Exhibit A.

"Security Instruments" means surety bonds, letters of credit or any other form of security or method, acceptable to OCFA, of assuring construction, installation, or provision of emergency response, fire protection services, equipment and facilities.

SECTION 2. COMPANY OBLIGATIONS

Company is in the process of developing the property in the Project Area and constructing improvements thereon that will result in regional impacts that will require emergency response, fire protection services, equipment and facilities by OCFA. In recognition and consideration of these impacts, OCFA and Company mutually agree as follows:

A. Acknowledgment of Obligations and Satisfaction of OCFA Requirements

Company acknowledges that pursuant to the City Conditions, Company is required (i) to provide a *pro rata* share of funding necessary to establish adequate emergency response, fire protection services, equipment and facilities, and (ii) contribute towards overall regional emergency response, fire protection services, equipment and facilities as provided herein in this Agreement. OCFA acknowledges that Company's performance of the obligations set forth in this Agreement constitute satisfaction of the obligations of Company for this Project. The *pro rata* share does not include standard processing fees for plan checking, permits and similar services or requirements of OCFA.

B. Pro Rata Share

1. Company agrees to pay in full its *pro rata* share as provided below:

(a) A cash contribution in an amount determined by multiplying the applicable fee in effect at the time payment is due by the number of proposed residential dwelling units and, in the case of commercial development, the square footage equivalency as determined by the formula in subparagraph (b) below (all as shown on the attached Exhibit B), within ten (10) days of issuance of the first residential or commercial building permit ("Due Date") for any portion of the property owned by Company within the Project Area as of the Effective Date. The parties agree that the applicable fee on the Effective Date is \$600/unit. The parties further agree that the Company's total funding obligation on the effective date of this Agreement is \$69,600 (all as shown on Exhibit B).

(b) Such amounts of residential dwelling units and square footage of commercial development may be adjusted according to an equivalency formula as follows: 1) commercial development square footage may be divided by 1,000 and then multiplied by 0.9 (nine/tenths or 9/10) to reach the equivalent dwelling units; 2) residential dwelling units may be divided by 0.9 (nine/tenths or 9/10) and then multiplied by 1,000 to reach the equivalent commercial square footage.

2. Nothing in this Agreement shall be construed to prohibit Company from paying all, or a portion, of the amount(s) set forth above in advance of the Due Date. Such prepayment will be calculated by multiplying \$600 or the applicable fee in effect at the time of payment by the number of units for which the Company wishes to prepay. Company will not be responsible for any subsequent fee increase that may be adopted by OCFA between the date of payment and the issuance of a building permit for the units covered by the paid fee.

3. In the event that the actual number of dwelling units, or equivalent dwelling units, built is less than 116 EDUs, OCFA will make such adjustments as may be appropriate, including the payment of any refund for any amounts overpaid. At build-out, documentation satisfactory to OCFA shall be

furnished to OCFA which verifies the actual number of dwelling units, or equivalent dwelling units, constructed and that no further units, or equivalent units, shall be built on the property in the Project Area owned by Company on the Effective Date. Such documentation shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built (calculated by subtracting the total number of units, or equivalent units, built from 116 EDUs, the total number of units, or equivalent units, allowed). OCFA shall refund the Company for any amounts overpaid within thirty (30) days of the earlier of (i) written notification to OCFA that the Company will build less than the 116 EDUs proposed residential dwelling units; and (ii) the date the OCFA receives the above-referenced documentation which shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built.

SECTION 3. SECURITIES

A. Security to Guarantee Payment

Within sixty (60) days after execution of this Agreement, Company shall furnish OCFA with a Faithful Performance Bond or Letter of Credit or any other security instrument acceptable to the Fire Chief and OCFA Counsel, securing Company's then remaining obligation to pay OCFA the *pro rata* share amount set forth in Section 2, subject to the following requirements:

1. Form of Security Instruments. All Security Instruments shall meet the following minimum requirements and otherwise shall be in a form acceptable to OCFA:

(a) Any insurance company acting as surety shall have a minimum rating of A, as rated by the current edition of Best's Key Rating Guide published by A.M. Best's Company, Oldwick, New Jersey 08858; any bank issuing a Letter of Credit shall have a minimum rating of AA, as rated by Moody's or Standard & Poor's; each entity acting as a surety shall be licensed to do business in California.

(b) Payments under the security instrument shall be required to be made in the County of Orange, State of California.

(c) The security instrument shall reference Company's obligations under this Agreement, shall be irrevocable, and shall include, as an additional obligation secured, the responsibility to compensate OCFA for all of OCFA's reasonable attorneys' fees and litigation expenses reasonably incurred in enforcing its rights under the security instrument.

2. Release of Security Instruments. OCFA shall release or partially release the Faithful Performance Bond or Letter of Credit, *pro rata*, upon Company's written request as and when OCFA receives payment and after acceptance of Company's final payment obligation pursuant to Section 2.

SECTION 4. DEFAULT AND ATTORNEYS' FEES

A. Remedies Not Exclusive

In any case where this Agreement provides a specific remedy to OCFA for breach or default by Company hereunder, such remedy shall be in addition to, and not exclusive of, OCFA's right to pursue any other administrative, legal or equitable remedy to which it may be entitled.

B. Attorneys' Fees and Costs

In the event of any litigation arising out of this Agreement or under any of the Security Instruments referenced herein, the prevailing party in such action, in addition to any other relief, which may be granted, shall be entitled to recover its reasonable attorneys' fees and costs. Such attorneys' fees and costs shall include fees and costs on any appeal, and all other reasonable costs incurred in investigating such action, taking depositions and discovery, retaining expert witnesses, and all other necessary and related costs with respect to such litigation or arbitration. All such fees and costs shall be deemed to have accrued on commencement of the action and shall be enforceable whether or not the action is prosecuted to judgment.

SECTION 5. GENERAL PROVISIONS

A. Successors and Assigns

This Agreement shall be binding upon all successors and assigns of Company's right, title, and interest in and to the Project Area and any portions thereof.

B. Density and Intensity of Development

The provisions of this Agreement shall be deemed to be in substantial compliance with all City Conditions for this Project. In the event the density or intensity of development for this Project is proposed to be increased, OCFA and Company shall meet and confer and determine whether there should be any modification to this Agreement to provide for additional services, equipment or facilities necessary to serve the Project Area as a result of the approval of any such increase. In the event the parties cannot agree, OCFA shall have the right to protest or contest in any administrative or judicial forum as OCFA deems appropriate any approval of any such increase.

C. Waiver of Rights and Claims

Company agrees and acknowledges that there is an essential nexus between its *pro rata* share and a legitimate governmental interest and that its *pro*

rata share is roughly proportional to and reasonably and rationally related to the impacts that will be caused by development of the Project Area.

In consideration of the mutual promises and covenants set forth in this Agreement, Company, its successors and assigns, hereby waives and releases any present or future rights or claims Company, or its successors or assigns may have or possess under Government Code section 66000 et. seq. (as amended) with respect to OCFA's establishment, receipt and use of the fees required to be paid to OCFA under this Agreement so long as OCFA, or its successors in interest, continues to provide fire protection and related services to the Project Area as contemplated by this Agreement.

D. Good Faith Negotiations

Company acknowledges and agrees that OCFA is prepared to conduct a fee study that might result in an increased *pro rata* share to Company. Company desires to avoid the delay and uncertain results of such a study and enters this Agreement in good faith and in consideration for OCFA deferring such a study to a later date.

E. Severability

In the event any portion of this Agreement shall finally be determined by a court of competent jurisdiction to be unlawful, such provision shall be deemed to be severed from this Agreement and every other provision of this Agreement shall remain in full force and effect. If any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable laws then in effect.

F. Notices

All written notices pursuant to this Agreement shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be delivered in person or sent certified or registered mail, postage prepaid and addressed as follows:

To: Orange County Fire Authority
Attn: Fire Chief
1 Fire Authority Road
Irvine, CA 92602

To: PUBLIC STORAGE
701 Western Ave.
Glendale, CA 91202
Attention: Sharon Linder, Esq.

WITH COPY TO:
David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd., Suite 1200
Costa Mesa, CA 92626

WITH COPY TO:
PUBLIC STORAGE
2200 E. McFadden Ave
Santa Ana, CA 92705
Attention: Doug Gasperik

All notices provided for herein shall be deemed effective upon receipt if personally served or seventy-two (72) hours after being sent by certified or registered mail, postage prepaid.

G. Entire Agreement

This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations or agreements between them pertaining to the subject matter hereof.

H. Recordation of Agreement

This Agreement and any amendment shall be recorded in the Official Records of the County of Orange by OCFA with a conformed copy being furnished to Company by OCFA within fifteen (15) days of recordation.

I. Time of the Essence

OCFA and Company agree that time is of the essence with respect to each provision of this Agreement of which time is an element.

J. Exhibits to Agreement

This Agreement includes the following Exhibits, which are attached hereto and made a part hereof:

- Exhibit A - Description of the Project Area
- Exhibit B - Fire Service Impact Fees

///

///

///

K. Authorized Signatories

Company and its signatories herein covenant and represent that each individual executing this Agreement is a person duly authorized to execute this Agreement for Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year above written.

ORANGE COUNTY FIRE AUTHORITY
a California Joint Powers Authority

Date: _____

By: _____

Jeff Bowman, Fire Chief
Orange County Fire Authority

ATTEST:

By: _____

Sherry Wentz
Clerk of the Orange County
Fire Authority

Date: _____

APPROVED AS TO FORM:

DAVID E. KENDIG
GENERAL COUNSEL

By:  _____

Date: 5/18/16

PS Southern California One, Inc.,
a Delaware corporation

Date: 5/5/16

By:  _____

Name: Sharon Linder

Title: Vice President and
Senior Real Estate Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of LOS ANGELES)On MAY 9, 2016 before me, SARAH YOU, NOTARY PUBLIC,
Date Here Insert Name and Title of the Officerpersonally appeared SHARON LINDER
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROJECT AREA

That certain real property located in the City of Irvine, County of Orange, State of California, described as follows:

PARCEL 1, IN THE CITY OF IRVINE, COUNTY OF ORANGE, STATE OF CALIFORNIA AS SHOWN ON A PARCEL MAP FILED IN BOOK 74, PAGES 13 THROUGH 16, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBONS, BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN INSTRUMENTS OF RECORD.

EXHIBIT B
FIRE SERVICE IMPACT FEES

Dwelling Units	Rate	Obligation
171,321 sf proposed – 41,901 sf existing = 129,420 sf added		
129,420 sf x .9 / 1000 = 116 EDUs		
116 EDU	\$600	\$ 69,600
<hr/>		
Total Units – 116	\$600	\$ 69,600



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 4A
Public Hearing

Review and Approval of the Fiscal Year 2016/17 Proposed Budget

Contact(s) for Further Information

Lori Zeller, Assistant Chief Business Services Department	lorizeller@ocfa.org	714.573.6020
Tricia Jakubiak, Treasurer	triciajakubiak@ocfa.org	714.573.6301
Deborah Gunderson, Budget Manager	deborahgunderson@ocfa.org	714.573.6302

Summary

This item presents the Fiscal Year 2016/17 Proposed General Fund and Capital Improvement Program (CIP) Budget for review and approval by the Board of Directors.

Prior Board/Committee Action – Committee Recommendation: *APPROVE*

The CIP Ad Hoc Committee reviewed the Proposed CIP Budget on April 13, 2016, and provided support for moving the CIP Budget forward to the Budget and Finance Committee and Board of Directors for approval. The Committee also provided recommendations to staff regarding areas to focus and monitor in relation to specific CIP projects and CIP funding (Attachment 3).

The City Managers' Budget and Finance Committee reviewed the FY 2016/17 Proposed Budget (General Fund and CIP) with staff on April 20, 2016. The Committee indicated that the Proposed Budget provides a responsible and prudent approach for restoring frozen positions, and recommended that the OCFA Budget and Finance Committee and Board of Directors adopt the FY 2016/17 Budget, as submitted.

At its regular May 11, 2016, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

1. Conduct the Public Hearing.
2. Adopt the submitted FY 2016/17 Proposed Budget.
3. Adopt proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS ADOPTING AND APPROVING THE APPROPRIATIONS BUDGET FOR THE ORANGE COUNTY FIRE AUTHORITY FOR FISCAL YEAR 2016/17.
4. Approve and authorize the temporary transfer of up to \$45.6 million to the General Fund (Fund 121) from the following Capital Improvement Program (CIP) Funds to cover a projected temporary cash flow shortfall for FY 2016/17 due to timing differences between the receipt of tax revenues and the payment of expenditures:
 - Fund 123 Fire Stations and Facilities - \$14.0 million
 - Fund 124 Communications and Information Systems - \$13.3 million
 - Fund 133 Fire Apparatus - \$18.3 million

5. Approve and authorize the repayment of \$45.6 million borrowed funds from Fund 121 to the above CIP Funds, along with interest, when General Fund revenues become available in FY 2016/17.
6. Approve and authorize a FY 2015/16 budget adjustment to increase General Fund revenues by \$266,787 and decrease appropriations by \$8,033,620.

Impact to Cities/County

The proposed FY 2016/17 budget results in a 1.4% increase in cash contract cities' base service charges. Total increases vary from city-to-city, based on annual catch up payments for all cities (for dollar impacts by city, please see page 25 of the Revenue section in the attached Budget book).

Fiscal Impact

See attached Proposed Budget.

Background

We are pleased to present the proposed FY 2016/17 budget for your review and consideration. As required by the Fiscal Health Plan and Financial Stability Budget Policy, this proposed General Fund budget meets our policy reserve requirements and is balanced for FY 2016/17 and for all five years of the five-year forecast. In addition, an operating transfer from the General Fund to the CIP funds is included in the proposed budget. The Budget Overview and Highlights in the attached budget book provides details relating to the Proposed Budget.

Proposed 2015/16 Budget Adjustment

Since the mid-year budget adjustment was approved by the Board in March, additional changes to the General Fund budget have become necessary. The proposed changes are as follows:

- Increase to revenues of \$266,787, which includes the following:
 - \$393,470 increase to CAL FIRE contract
 - \$112,195 increase to miscellaneous revenues such as restitution, false alarm and insurance settlements
 - \$338,878 decrease for reimbursements from cash contract cities, Santa Ana College Agreement, and Joint Apprenticeship Comm.
 - \$100,000 increase for receipt of a donation from Maruchan
- Decrease to expenditures of \$8,033,620, which includes the following:
 - \$403,351 to reimburse the City of Irvine for emergency management and communications technology related expenses. OCFA has received donations from Maruchan which fund this expenditure.
 - \$405,136 increase for Interest Expense related to the current FY TRAN.
 - \$8,842,107 decrease to remove the JEAP expenditure budget.
- Adjustments to transfers in and out of the General Fund and CIP fund(s) in the amount of \$2,049,634 to reconcile transfers to General Fund revenue surplus amounts after these adjustments are made.
- Increase budgetary beginning fund balance by \$12,982,348 after unwinding the JEAP budgets and prior year expenditures.

Attachment(s)

1. Proposed Resolution
2. FY 2016/17 Proposed Budget
3. CIP Ad Hoc Committee Recommendations

RESOLUTION NO. 2016-XX

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY
BOARD OF DIRECTORS ADOPTING AND APPROVING THE
APPROPRIATIONS BUDGET FOR THE ORANGE COUNTY FIRE
AUTHORITY FOR FISCAL YEAR 2016/17**

*THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS DOES HEREBY
RESOLVE AS FOLLOWS:*

The appropriations budget for the Orange County Fire Authority for Fiscal Year 2016/17 is approved and adopted by the Board of Directors as follows:

GENERAL FUNDOperating Appropriations

Salary and Employee Benefits	\$291,082,773
UAAL Pay-down to OCERS	\$3,653,114
Services and Supplies	\$27,248,731
Capital Outlay	\$483,504
Debt Service on TRAN	<u>\$723,186</u>
Total Operating Appropriations	\$323,191,308

Operating Transfers-Out

From General Fund to CIP Fund(s)	\$24,402,894
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Other Funds

Fund 12110 – General Fund CIP	\$1,823,000
Fund 123 – Fire Stations and Facilities	\$8,375,000
Fund 124 – Communications and Info. Systems	\$9,595,117
Fund 133 – Fire Apparatus	\$9,848,181
Fund 171 – Structural Fire Entitlement Fund	\$0
Fund 190 – Self-Insurance Fund	<u>\$7,494,019</u>
Total Other Funds	\$37,135,317

Reserves

10% Operating Contingency	\$31,953,819
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PASSED, APPROVED and ADOPTED this 26th day of May 2016.

ATTEST:

GENE HERNANDEZ, CHAIR
OCFA Board of Directors

SHERRY A.F. WENTZ, CMC
Clerk of the Authority

ORANGE COUNTY FIRE AUTHORITY

BOARD OF DIRECTORS FY 2016/17 PROPOSED BUDGET



Business Services Department
Treasury & Financial Planning
May 26, 2016

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FY 2016/17

PROPOSED

BUDGET

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May 26, 2016

Budget Overview

We are pleased to present the proposed FY 2016/17 budget for your review and consideration. As required by the Fiscal Health Plan and Financial Stability Budget Policy, this proposed General Fund budget is balanced for FY 2016/17 and meets our policy reserve requirements.

At 65% of our revenues, property taxes are the largest component of our General Fund revenue budget. OCFA contracts with Rosenow Spevacek Group (RSG) to conduct property tax forecasts for the next five fiscal years. Their projections, which are updated on an annual basis, are included in the five-year cash flow forecast located on page 10.

The rebound in property tax revenues to pre-recession levels has again provided an opportunity to re-examine our staffing levels and needs in each of our departments. Executive staff met in March to review and consider the draft budget and position requests, with an eye to restoring staffing where the need was greatest. To achieve this goal, we are requesting to reclassify and unfreeze 10 existing positions. The positions are listed below:

- Two Fire Captains, to serve multiple administrative functions including supplementing Public Information Officer services as well as serving as Divisional Administrative Captains.
- One Battalion Chief, to be assigned to the Air Operations section
- One Fire Captain, to be assigned to Emergency Medical Services section
- Two Senior Information Technology analysts
- One Senior Human Resources Analyst
- One Environmental Health and Safety Specialist
- One Nurse Educator, assigned to Emergency Medical Services
- One Senior Fire Apparatus Technician

Our budget development process continues to include measures to contain costs wherever reasonable. These measures include:

- ***Vacant/Frozen Positions*** – Funding for frozen positions must be approved by the Board before filling; 76 frozen positions are not funded in this proposed budget. As in the past, non-frozen vacant positions are funded.
- ***Services and Supplies*** – All sections were directed to hold their services and supplies (S&S) budget at the FY 2015/16 level. Requested increases were reviewed and approved on a case-by-case basis.
- ***Salaries*** – The proposed budget includes scheduled salary increases as required by approved MOUs; no increases are assumed where an approved MOU is not in place. Merit increases are included for qualifying employees.
- ***Workers' Compensation*** – The workers' compensation annual budget is funded at the 50% confidence level per the updated policy.

- ***Prioritization of Five-Year Capital Improvement Plan*** – The five-year CIP was updated and reviewed by the Executive Management team which scrutinized all projects to ensure they contribute to the OCFA’s mission of providing a safe, hazard-free work environment and quality service to our members and citizens.

An operating transfer from the General Fund to the CIP funds is included in each of the next five years.

- ***Snowball Plan*** – The budget includes approximately \$3.7M in additional unfunded pension liability payments, in accordance with Board direction to continue to pay-down the UAAL.

Having weathered the Great Recession, we continue to work on developing and expanding the capacity of our employees and the organization as a whole. This proposed budget, including the restoration of 10 frozen positions, will better position the OCFA to achieve this goal, and in turn improve and enhance the services we provide to our member agencies and the citizens we serve.

ORANGE COUNTY FIRE AUTHORITY
FY 2016/17 General Fund
Proposed Budget Highlights
May 26, 2016

Note: Comparison is from FY 2015/16 Adopted Budget to FY 2016/17 Proposed Budget, with additional UAAL paydowns, and JEAP payments excluded in both years

Revenue
\$14.7 million or a 4.40% increase

- | | |
|---|------------------------|
| Property Taxes | \$13M increase |
| <ul style="list-style-type: none">▪ Based on 4.57% current secured growth factor per final RSG study, excluding public utility taxes. The growth factor is applied to our actual revenues and historical projections to-date.▪ The refund factor is estimated at 1% based on historical trends. | |
| State Reimbursements | \$393K increase |
| <ul style="list-style-type: none">▪ Proposed FY 2016/17 budget includes a larger CAL FIRE contract amount, which is adjusted by the State annually. | |
| Community Redevelopment Agency (CRA) Pass-Thru | \$57K increase |
| <ul style="list-style-type: none">▪ Based on 16.22% growth per final RSG study | |
| Cash Contract Charges | \$1.6M increase |
| <ul style="list-style-type: none">▪ Based on estimated 1.4% increase to cash contract cities service charge, plus the annual catch-up payments, for an average increase of 1.74%.▪ To ease the impact of the increase to safety employee retirement rates, the original OCERs non-smoothed retirement rates are used in FY 2016/17. This prevents a large increase in costs in the following year, when the full impact of the safety employee retirement rates will begin to be included.▪ The City of San Clemente's charges reflect updated operating model for the discontinuation of the seasonal ambulance service.▪ The City of Placentia's service charge reflects the service configuration changes recently approved by the Board, with the financial impact to be phased-in over two fiscal years, beginning in FY 2016/17. | |
| Miscellaneous Revenue | \$53K increase |
| <ul style="list-style-type: none">▪ The FY 2016/17 budget represents a conservative estimate of bankruptcy proceeds and an increase in the Fullerton Airport Hangar lease. | |

Expenditures
\$5.0 million or a 1.58% increase overall

Salaries

\$2.8M Increase

- Includes salaries for the 10 unfrozen positions
- FY 2016/17 proposed budget also includes a \$7.9M deduction for average salary savings in the firefighter rank (\$3.9M increase over current FY salary savings).

Retirement

\$766K increase

- Retirement rates based on the Public Employees' Pension Reform Act (PEPRA) are used for vacant positions which also contributes to the decrease
- Safety employees' original non-smoothed rates from OCERS were used to mitigate future impacts to cash contract city charges by keeping rates within the cap in future years.

Benefits

\$186K increase

- Workers' Comp is budgeted based on the 50% confidence level provided by the actuarial study completed in January, 2016, with \$1M in deducted per the Snowball plan approved by the Board. The \$1M will be directed to OCERS for additional UAAL paydown.
- Firefighter group medical insurance based on rates of \$1,900 per month effective 1/1/16
- Management dental insurance reflects an increase of 5.13%

Services and Supplies/Equipment

\$514K increase

- This category reflects the approved supplemental budget requests incorporated into the FY 2016/17 budget, such as apparatus equipment, training costs, security contract, and increases in service fees and maintenance contracts.

ORANGE COUNTY FIRE AUTHORITY
FY 2016/17 Pending Issues
May 26, 2016

Equity Ruling

- Equity discussions are being reconvened to consider alternative options.

WC Confidence Level Funding Amount

- In keeping with the Board's approval of the Accelerated Snowball plan, we have reduced the WC expenditure budget by \$1M and allocated that funding to UAAL paydown.

CAL FIRE Contract

- Gray Book for FY 2016/17 has not yet been received; typically the contract rate contained in the Book is received after the FY has begun. Fiscal Year 2015/16's budgetary estimate is used pending the update.

Cash Contract City Charges

- Current estimate is a 1.4% increase, pending approval of the proposed Budget.

US&R Grants

- No estimate has been included for the new grant nor unspent funds of current grants

TRAN

- Calculations and cash flows completed with assistance of the financial advisors and tax counsel suggest we will not require a TRAN in FY 2016/17.

ORANGE COUNTY FIRE AUTHORITY
COMBINED BUDGET SUMMARY
FY 2016/17

	121 General Fund	12110 (2) General Fund CIP	123 Fire Stations & Facilities
FUNDING SOURCES			
Property Taxes	\$227,439,867	-	-
Intergovernmental	15,392,901	-	-
Charges for Current Services	102,840,465	-	-
Use of Money & Property (1)	961,615	-	132,393
Other	1,112,197	-	98,381
Total Revenue & Other	347,747,045	-	230,774
Financing Sources			
Operating Transfer In	-	1,823,000	7,900,000
Beginning Fund Balance	63,213,265	-	13,977,231
TOTAL AVAILABLE RESOURCES	\$410,960,310	\$1,823,000	\$22,108,005
EXPENDITURES			
Salaries & Employee Benefits	\$291,082,773	-	-
Services & Supplies	27,248,731	1,823,000	-
Capital Outlay	483,504	-	8,375,000
Debt Service	723,186	-	-
Subtotal Expenditures	319,538,194	1,823,000	8,375,000
UAAL Paydown	3,653,114	-	-
Total Expenditures & Other Uses	323,191,308	1,823,000	8,375,000
Appropriation for Contingencies	3,000,000	-	-
Operating Transfer Out	24,402,894	-	-
Ending Fund Balance	60,366,108	-	13,733,005
TOTAL FUND COMMITMENTS & FUND BALANCE	\$410,960,310	\$1,823,000	\$22,108,005

- (1) Interest figures are preliminary and will be refined as budget development continues
- (2) Project related budgets segregated for operational budget clarity purposes. As a sub-fund of the General Fund, revenues and expenditures are accounted for as the General Fund in the CAFR, however for cash-flow purposes the expenditures are tracked outside of the General Fund. Therefore 12110 requires cash-flow transfers in the same manner as the other CIP Funds. Actual transfers occur only between the General Fund and Funds 123, 124, and 133.

124 Communications & Information Systems	133 Fire Apparatus	171 SFF Entitlement	190 Self- Insurance	Total
-	-	-	-	\$227,439,867
-	-	-	-	15,392,901
-	1,358,858	-	11,444,465	115,643,788
164,012	184,423	4,567	569,615	2,016,625
166,092	101,923	-	-	1,478,593
330,104	1,645,204	4,567	12,014,080	361,971,774
4,866,307	9,813,587	-	-	24,402,894
17,343,310	9,161,224	694,186	73,837,461	178,226,677
\$22,539,721	\$20,620,015	\$698,753	\$85,851,541	\$564,601,345
-	-	-	-	\$291,082,773
-	-	-	7,494,019	36,565,750
9,595,117	9,848,181	-	-	28,301,802
-	-	-	-	723,186
9,595,117	9,848,181	-	7,494,019	356,673,511
9,595,117	9,848,181	-	7,494,019	3,653,114
9,595,117	9,848,181	-	7,494,019	360,326,625
-	-	-	-	3,000,000
-	-	-	-	24,402,894
12,944,604	10,771,834	698,753	78,357,522	176,871,826
\$22,539,721	\$20,620,015	\$698,753	\$85,851,541	\$564,601,345

ORANGE COUNTY FIRE AUTHORITY
FUND 121 - GENERAL FUND
REVENUE AND EXPENDITURE SUMMARY
FY 2016/17 BUDGET

	FY 2015/16 Adopted Budget	FY 2016/17 Proposed Budget	\$ Change from FY 2015/16 Adopted	% Change from FY 2015/16 Adopted
FUNDING SOURCES				
Property Taxes	\$214,445,545	\$227,439,867	\$12,994,322	6.06%
Intergovernmental	14,942,177	15,392,901	450,724	3.02%
Charges for Current Services	101,969,304	102,840,465	871,161	0.85%
Use of Money & Property	658,828	961,615	302,787	45.96%
Other	1,058,733	1,112,197	53,464	5.05%
Total Revenues & Other Financing Sources	333,074,587	347,747,045	14,672,458	4.41%
Operating Transfer In	-	-	-	-
Beginning Fund Balance	36,361,470	63,213,265	26,851,795	73.85%
TOTAL AVAILABLE RESOURCES	\$369,436,057	\$410,960,310	\$41,524,253	11.24%
EXPENDITURES				
Salaries & Employee Benefits	\$287,352,080	291,082,773	\$3,730,693	1.30%
Services & Supplies (2)	26,730,730	27,248,731	518,001	1.94%
Capital Outlay	154,095	483,504	329,409	213.77%
Debt Service: TRAN Interest Expense	318,050	723,186	405,136	127.38%
Subtotal Expenditures	314,554,955	319,538,194	4,983,239	1.58%
UAAL Paydowns	2,802,122	3,653,114	850,992	30.37%
Total Expenditures & Other Uses	317,357,077	323,191,308	5,834,231	1.84%
Operating Transfer Out	7,361,821	24,402,894	17,041,073	231.48%
Appropriation for Contingencies (1)	3,000,000	3,000,000	-	0.00%
Ending Fund Balance	41,717,159	60,366,108	18,648,949	44.70%
TOTAL FUND COMMITMENTS & FUND BALANCE	\$369,436,057	\$410,960,310	\$41,524,253	11.24%

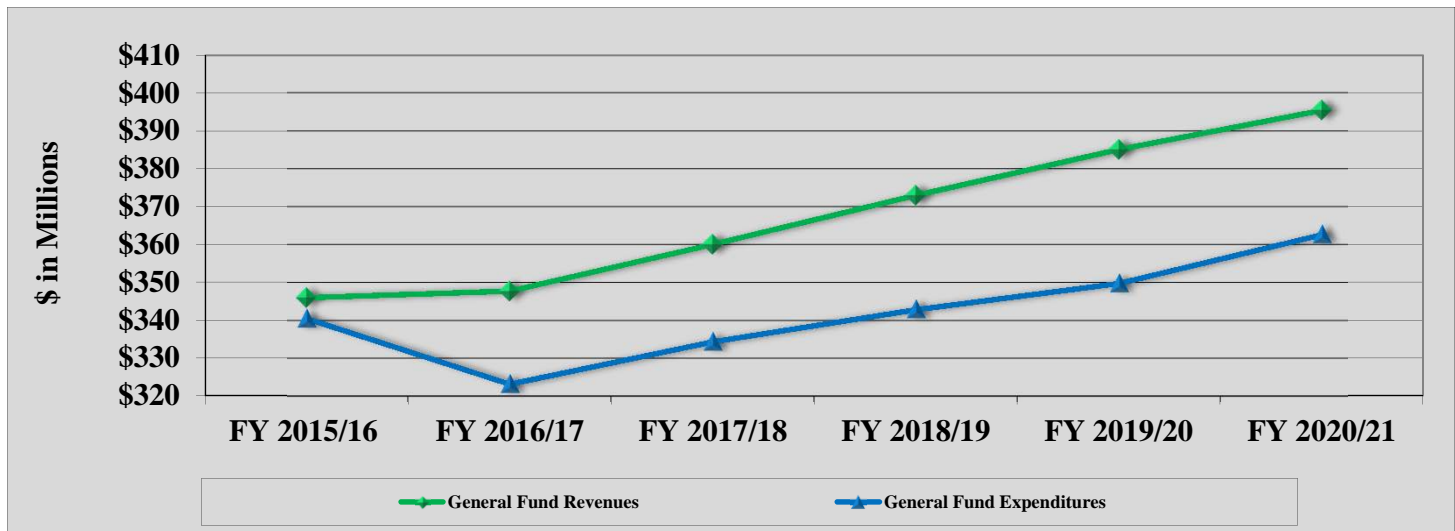
(1) Requires Board approval to spend

(2) Excludes JEAP payments of \$7,848,048 from FY 2015/16 for comparison purposes



Scenario 1 (Baseline)
Orange County Fire Authority
Five-Year Financial Forecast
Draft FY 2016/17 Budget

	<i>Adjusted</i> FY 2015/16	<i>Year 1</i> FY 2016/17	<i>Year 2</i> FY 2017/18	<i>Year 3</i> FY 2018/19	<i>Year 4</i> FY 2019/20	<i>Year 5</i> FY 2020/21
Beginning Fund Balance	181,140,997	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285
General Fund Revenues	346,012,715	347,747,045	360,127,808	373,050,683	385,165,352	395,494,655
General Fund Expenditures	325,084,233	319,538,194	328,515,598	333,732,376	340,138,068	350,309,272
Paydown of UAAL	15,411,502	3,653,114	5,886,420	9,167,397	9,648,658	12,368,859
Total General Fund Expenditures	340,495,735	323,191,308	334,402,018	342,899,772	349,786,726	362,678,131
Net General Fund Revenue	5,516,980	24,555,737	25,725,790	30,150,911	35,378,626	32,816,524
Less Incremental Increase in 10% GF Op. Cont.	-	152,842	897,740	521,678	640,569	1,017,120
General Fund Surplus / (Deficit)	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
Operating Transfer to GF Cashflow	-	-	-	-	-	-
Operating Transfer to CIP Funds	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
Draws from GF Fund Balances	-	-	-	-	-	-
CIP/Other Revenues	24,640,080	38,627,623	40,594,542	46,712,833	52,991,708	49,269,091
CIP/Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
CIP Surplus / (Deficit)	(2,651,234)	1,492,306	13,073,191	23,835,601	34,200,594	33,061,768
Ending Fund Balance	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285	287,383,174



	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
General Fund Revenues	\$ 346.01	\$ 347.75	\$ 360.13	\$ 373.05	\$ 385.17	\$ 395.49
General Fund Expenditures	\$ 340.50	\$ 323.19	\$ 334.40	\$ 342.90	\$ 349.79	\$ 362.68

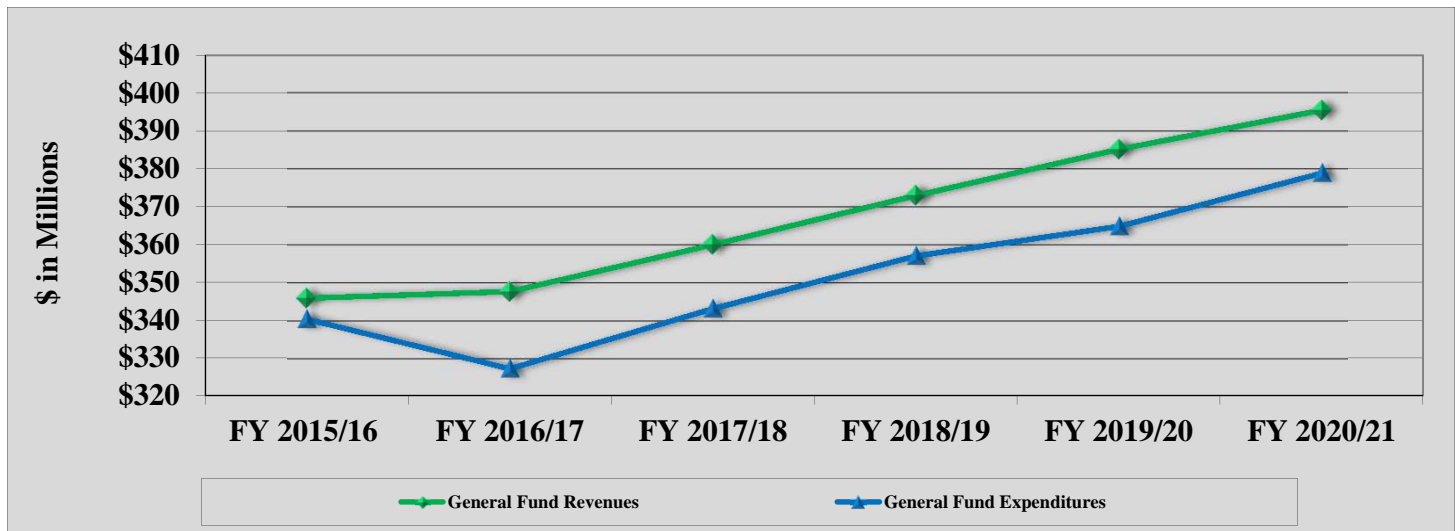
Scenario 1 (Baseline)

		ADJUSTED FY 2015/16	PROJECTED FY 2016/17	PROJECTED FY 2017/18	PROJECTED FY 2018/19	PROJECTED FY 2019/20	PROJECTED FY 2020/21
A.	BEGINNING FUND BALANCE	181,140,997	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285
	GENERAL FUND REVENUES						
	Secured Property Tax	202,181,231	212,031,951	220,873,683	228,979,747	236,467,385	242,639,184
	Public Utility Tax	2,210,398	2,210,398	2,210,398	2,210,398	2,210,398	2,210,398
	Unsecured Property Tax	7,437,534	6,894,000	6,894,000	6,894,000	6,894,000	6,894,000
	Homeowners Property Tax Relief	1,389,031	1,365,417	1,365,417	1,365,417	1,365,417	1,365,417
	Supplemental/Delinquencies	4,938,101	4,938,101	4,938,101	4,938,101	4,938,101	4,938,101
	Property Taxes	218,156,295	227,439,867	236,281,599	244,387,663	251,875,301	258,047,100
	State Reimbursements	4,893,198	5,286,668	5,286,668	5,286,668	5,286,668	5,286,668
	Federal Reimbursements	100,000	100,000	100,000	100,000	100,000	100,000
	One-Time Grant/ABH/RDA	9,882,130	-	-	-	-	-
	Community Redevelopment Agency Pass-thru	8,609,759	10,006,233	10,265,211	10,532,956	10,824,844	11,059,128
	Cash Contracts	90,762,822	92,357,581	95,905,838	100,093,877	104,411,151	108,308,884
	Community Risk Reduction Fees	6,448,604	6,448,604	6,448,604	6,448,604	6,448,604	6,448,604
	ALS Supplies & Transport Reimbursement	3,929,330	3,929,330	3,929,330	3,929,330	3,929,330	3,929,330
	Interest Earnings	689,516	961,615	693,410	1,054,437	1,072,306	1,097,793
	Other Revenue	2,541,061	1,217,148	1,217,148	1,217,148	1,217,148	1,217,148
	Transfers from General Fund Cashflow Fund (OCERS Pre-Pay)	-	-	-	-	-	-
	TOTAL REVENUES	346,012,715	347,747,045	360,127,808	373,050,683	385,165,352	395,494,655
	GENERAL FUND EXPENDITURES						
	New Positions for New Stations	-	-	2,976,921	3,045,061	5,546,440	10,865,972
	Employee Salaries	177,288,558	180,011,555	181,077,372	181,077,372	181,077,372	181,077,372
	Retirement - Regular Annual Payments	69,607,764	70,284,316	73,200,767	75,086,856	75,782,414	76,756,194
	Retirement - Paydown of UAAL (Rate Savings)	2,802,122	1,653,114	1,886,420	3,167,397	1,648,658	2,368,859
	Retirement - Paydown of UAAL (Unencumb. Funds)	12,609,380	-	-	-	-	-
	Retirement - Paydown of UAAL (\$1M per Year from WC)	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Retirement - Paydown of UAAL (\$1M per Year, Increasing)	-	1,000,000	3,000,000	5,000,000	7,000,000	9,000,000
	Workers' Comp Transfer out to Self-Ins. Fund	12,742,220	11,444,465	11,763,964	12,083,462	12,402,961	12,805,050
	Other Insurance	25,473,603	26,799,046	29,257,020	31,940,818	34,871,224	38,070,941
	Medicare	2,443,638	2,543,391	2,610,168	2,610,168	2,610,168	2,610,168
	One-Time Grant/ABH Expenditures	6,272,884	-	-	-	-	-
	Salaries & Employee Benefits	309,240,169	294,735,887	306,772,633	315,011,134	321,939,237	334,554,556
	Services & Supplies/Equipment	29,730,802	27,732,235	27,482,361	27,741,614	27,582,479	27,597,150
	New Station/Enhancements S&S Impacts	-	-	147,024	147,024	265,011	526,425
	One-Time Grant Expenditures	801,578	-	-	-	-	-
	Debt Service: Interest on TRAN	723,186	723,186	-	-	-	-
	TOTAL EXPENDITURES	340,495,735	323,191,308	334,402,018	342,899,772	349,786,726	362,678,131
	NET GENERAL FUND REVENUE	5,516,980	24,555,737	25,725,790	30,150,911	35,378,626	32,816,524
B.	Incremental Increase in GF 10% Contingency	-	152,842	897,740	521,678	640,569	1,017,120
	GENERAL FUND SURPLUS / (DEFICIT)	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
C.	Operating Transfers (from) Operating Contingency	-	-	-	-	-	-
	Transfers to CIP Funds						
	Transfers to CIP from General Fund Surplus	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
	Total Operating Transfers to CIP	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
	Capital Improvement Program/Other Fund Revenues						
	Interest Earnings	573,596	1,055,010	2,236,509	2,175,552	2,621,146	3,135,232
	State/Federal Reimbursement	-	-	-	-	-	-
	Cash Contracts	1,428,656	1,358,858	1,399,624	1,441,613	1,484,861	1,529,406
	Developer Contributions	3,689,026	-	-	1,016,577	1,744,683	-
	Workers' Comp Transfer in from GF	12,742,220	11,444,465	11,763,964	12,083,462	12,402,961	12,805,050
	Miscellaneous	689,602	366,396	366,396	366,396	-	-
	Operating Transfers In	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
	Total CIP, W/C, Other Revenues	24,640,080	38,627,623	40,594,542	46,712,833	52,991,708	49,269,091
	Capital Improvement Program/Other Fund Expenses						
	Fund 12110 - General Fund CIP	5,438,793	1,823,000	1,234,400	1,685,700	1,398,700	1,368,700
	Fund 123 - Fire Stations and Facilities	906,077	8,375,000	6,700,000	385,000	-	-
	Fund 124 - Communications & Information Systems	1,700,000	9,595,117	3,906,511	4,444,367	1,000,000	1,000,000
	Fund 133 - Fire Apparatus	11,543,533	9,848,181	7,598,371	7,717,302	7,207,494	4,079,908
	Sub-Total CIP Expenses	19,588,403	29,641,298	19,439,282	14,232,369	9,606,194	6,448,608
	Fund 171 - SFF Entitlement	-	-	-	-	-	-
	Fund 190 - WC Self-Ins. (Cashflow Payments per Actuary)	7,702,911	7,494,019	8,082,069	8,644,863	9,184,920	9,758,715
	Total CIP, W/C, Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
D.	CIP SURPLUS/(DEFICIT)	(2,651,234)	1,492,306	13,073,191	23,835,601	34,200,594	33,061,768
	ENDING FUND BALANCE (A+B+C+D) [a]	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285	287,383,174
	Fund Balances						
	Operating Contingency (10% of Expenditures)	31,800,977	31,953,819	32,851,560	33,373,238	34,013,807	35,030,927
	JEAP Holding Account	21,793,205	21,793,205	21,793,205	21,793,205	21,793,205	21,793,205
	Reserve for Cash Contract City Station Maintenance	691,265	691,265	691,265	691,265	691,265	691,265
	Donations & Developer Contributions	4,923	4,923	4,923	4,923	4,923	4,923
	Fund 171 - Structural Fire Fund Entitlement	693,731	698,298	707,915	717,270	728,541	742,023
	Capital Improvement Program	49,662,962	46,630,640	54,809,077	74,026,277	103,587,383	131,902,580
	Fund 190 - WC Self-Insurance	73,842,700	78,362,761	83,247,897	87,856,943	92,485,161	97,218,251
	Total Fund Balances	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285	287,383,174

[a] Calculation removes fund balance transfers shown under General Fund Revenues as these are already included in Beginning Fund Balance.

Scenario 2 (2% Salary Increase for 3 years, FF/COA beginning 7/1/2016 and OCEA/OCFAMA beginning 7/1/18)
 Orange County Fire Authority
 Five-Year Financial Forecast
 Draft FY 2016/17 Budget

	<i>Adjusted</i> FY 2015/16	<i>Year 1</i> FY 2016/17	<i>Year 2</i> FY 2017/18	<i>Year 3</i> FY 2018/19	<i>Year 4</i> FY 2019/20	<i>Year 5</i> FY 2020/21
Beginning Fund Balance	181,140,997	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382
General Fund Revenues	346,012,715	347,747,045	360,150,350	373,104,761	385,229,095	395,561,594
General Fund Expenditures	325,084,233	323,760,084	337,378,909	347,969,706	355,288,121	366,625,313
Paydown of UAAL	15,411,502	3,653,114	5,886,420	9,167,397	9,648,658	12,368,859
Total General Fund Expenditures	340,495,735	327,413,199	343,265,329	357,137,102	364,936,778	378,994,173
Net General Fund Revenue	5,516,980	20,333,847	16,885,021	15,967,659	20,292,316	16,567,421
Less Incremental Increase in 10% GF Op. Cont.	-	575,031	1,361,882	1,059,080	731,842	1,133,719
General Fund Surplus / (Deficit)	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Operating Transfer to GF Cashflow	-	-	-	-	-	-
Operating Transfer to CIP Funds	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Draws from GF Fund Balances	-	-	-	-	-	-
CIP/Other Revenues	24,640,080	33,983,544	31,139,725	31,635,952	37,211,577	32,040,850
CIP/Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
CIP Surplus / (Deficit)	(2,651,234)	(3,151,773)	3,618,374	8,758,720	18,420,463	15,833,527
Ending Fund Balance	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382	226,830,628



	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
General Fund Revenues	\$ 346.01	\$ 347.75	\$ 360.15	\$ 373.10	\$ 385.23	\$ 395.56
General Fund Expenditures	\$ 340.50	\$ 327.41	\$ 343.27	\$ 357.14	\$ 364.94	\$ 378.99

Scenario 2 (2% Salary Increase for 3 years, FF/COA beginning 7/1/2016 and OCEA/OCFAMA beginning 7/1/18)

	ADJUSTED FY 2015/16	PROJECTED FY 2016/17	PROJECTED FY 2017/18	PROJECTED FY 2018/19	PROJECTED FY 2019/20	PROJECTED FY 2020/21
A. BEGINNING FUND BALANCE	181,140,997	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382
GENERAL FUND REVENUES						
Secured Property Tax	202,181,231	212,031,951	220,873,683	228,979,747	236,467,385	242,639,184
Public Utility Tax	2,210,398	2,210,398	2,210,398	2,210,398	2,210,398	2,210,398
Unsecured Property Tax	7,437,534	6,894,000	6,894,000	6,894,000	6,894,000	6,894,000
Homeowners Property Tax Relief	1,389,031	1,365,417	1,365,417	1,365,417	1,365,417	1,365,417
Supplemental/Delinquencies	4,938,101	4,938,101	4,938,101	4,938,101	4,938,101	4,938,101
Property Taxes	218,156,295	227,439,867	236,281,599	244,387,663	251,875,301	258,047,100
State Reimbursements	4,893,198	5,286,668	5,286,668	5,286,668	5,286,668	5,286,668
Federal Reimbursements	100,000	100,000	100,000	100,000	100,000	100,000
One-Time Grant/ABH/RDA	9,882,130	-	-	-	-	-
Community Redevelopment Agency Pass-thru	8,609,759	10,006,233	10,265,211	10,532,956	10,824,844	11,059,128
Cash Contracts	90,762,822	92,357,581	95,914,968	100,112,438	104,429,712	108,327,445
Community Risk Reduction Fees	6,448,604	6,448,604	6,448,604	6,448,604	6,448,604	6,448,604
ALS Supplies & Transport Reimbursement	3,929,330	3,929,330	3,929,330	3,929,330	3,929,330	3,929,330
Interest Earnings	689,516	961,615	706,822	1,089,954	1,117,488	1,146,171
Other Revenue	2,541,061	1,217,148	1,217,148	1,217,148	1,217,148	1,217,148
Transfers from General Fund Cashflow Fund (OCERS Pre-Pay)	-	-	-	-	-	-
TOTAL REVENUES	346,012,715	347,747,045	360,150,350	373,104,761	385,229,095	395,561,594
GENERAL FUND EXPENDITURES						
New Positions for New Stations	-	-	3,042,902	3,146,857	5,795,029	11,478,107
Employee Salaries	177,288,558	183,023,731	187,161,126	190,831,130	191,379,741	191,939,324
Retirement - Regular Annual Payments	69,607,764	71,451,868	75,826,129	79,327,204	80,232,124	81,440,651
Retirement - Paydown of UAAL (Rate Savings)	2,802,122	1,653,114	1,886,420	3,167,397	1,648,658	2,368,859
Retirement - Paydown of UAAL (Unencumb. Funds)	12,609,380	-	-	-	-	-
Retirement - Paydown of UAAL (\$1M per Year from WC)	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retirement - Paydown of UAAL (\$1M per Year, Increasing)	-	1,000,000	3,000,000	5,000,000	7,000,000	9,000,000
Workers' Comp Transfer out to Self-Ins. Fund	12,742,220	11,444,465	11,763,964	12,083,462	12,402,961	12,805,050
Other Insurance	25,473,603	26,799,046	29,257,020	31,940,818	34,871,224	38,070,941
Medicare	2,443,638	2,585,553	2,698,382	2,751,597	2,759,552	2,767,666
One-Time Grant/ABH Expenditures	6,272,884	-	-	-	-	-
Salaries & Employee Benefits	309,240,169	298,957,778	315,635,944	329,248,464	337,089,289	350,870,597
Services & Supplies/Equipment	29,730,802	27,732,235	27,482,361	27,741,614	27,582,479	27,597,150
New Station/Enhancements S&S Impacts	-	-	147,024	147,024	265,011	526,425
One-Time Grant Expenditures	801,578	-	-	-	-	-
Debt Service: Interest on TRAN	723,186	723,186	-	-	-	-
TOTAL EXPENDITURES	340,495,735	327,413,199	343,265,329	357,137,102	364,936,778	378,994,173
NET GENERAL FUND REVENUE	5,516,980	20,333,847	16,885,021	15,967,659	20,292,316	16,567,421
B. Incremental Increase in GF 10% Contingency	-	575,031	1,361,882	1,059,080	731,842	1,133,719
GENERAL FUND SURPLUS / (DEFICIT)	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
C. Operating Transfers (from) Operating Contingency	-	-	-	-	-	-
Transfers to CIP Funds						
Transfers to CIP from General Fund Surplus	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Total Operating Transfers to CIP	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Capital Improvement Program/Other Fund Revenues						
Interest Earnings	573,596	1,055,010	2,086,603	1,819,325	2,018,597	2,272,692
State/Federal Reimbursement	-	-	-	-	-	-
Cash Contracts	1,428,656	1,358,858	1,399,624	1,441,613	1,484,861	1,529,406
Developer Contributions	3,689,026	-	-	1,016,577	1,744,683	-
Workers' Comp Transfer in from GF	12,742,220	11,444,465	11,763,964	12,083,462	12,402,961	12,805,050
Miscellaneous	689,602	366,396	366,396	366,396	-	-
Operating Transfers In	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Total CIP, W/C, Other Revenues	24,640,080	33,983,544	31,139,725	31,635,952	37,211,577	32,040,850
Capital Improvement Program/Other Fund Expenses						
Fund 12110 - General Fund CIP	5,438,793	1,823,000	1,234,400	1,685,700	1,398,700	1,368,700
Fund 123 - Fire Stations and Facilities	906,077	8,375,000	6,700,000	385,000	-	-
Fund 124 - Communications & Information Systems	1,700,000	9,595,117	3,906,511	4,444,367	1,000,000	1,000,000
Fund 133 - Fire Apparatus	11,543,533	9,848,181	7,598,371	7,717,302	7,207,494	4,079,908
Sub-Total CIP Expenses	19,588,403	29,641,298	19,439,282	14,232,369	9,606,194	6,448,608
Fund 171 - SFF Entitlement	-	-	-	-	-	-
Fund 190 - WC Self-Ins. (Cashflow Payments per Actuary)	7,702,911	7,494,019	8,082,069	8,644,863	9,184,920	9,758,715
Total CIP, W/C, Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
D. CIP SURPLUS/(DEFICIT)	(2,651,234)	(3,151,773)	3,618,374	8,758,720	18,420,463	15,833,527
ENDING FUND BALANCE (A+B+C+D) [a]	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382	226,830,628
Fund Balances						
Operating Contingency (10% of Expenditures)	31,800,977	32,376,008	33,737,891	34,796,971	35,528,812	36,662,531
JEAP Holding Account	21,793,205	21,793,205	21,793,205	21,793,205	21,793,205	21,793,205
Reserve for Cash Contract City Station Maintenance	691,265	691,265	691,265	691,265	691,265	691,265
Donations & Developer Contributions	4,923	4,923	4,923	4,923	4,923	4,923
Fund 171 - Structural Fire Fund Entitlement	693,731	698,298	707,271	715,094	723,774	733,546
Capital Improvement Program	49,662,962	41,986,561	40,791,475	45,124,975	59,232,712	70,787,424
Fund 190 - WC Self-Insurance	73,842,700	78,362,761	83,167,248	87,584,644	91,888,690	96,157,733
Total Fund Balances	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382	226,830,628

[a] Calculation removes fund balance transfers shown under General Fund Revenues as these are already included in Beginning Fund Balance.

Forecast Assumptions – FY 2016/17 Budget

Basic Assumptions:

The Adopted FY 2015/16 budget, and the Five-Year Capital Improvement Plan approved by the Board of Directors on May 28, 2015 form the basis for this financial forecast with the following adjustments:

- Updated total beginning fund balance from the FY 2014/15 audited financial statements
- All approved budget adjustments that have occurred since the adoption of the budget
- Mid-year adjustments approved by the Board in March

General Fund Revenues:

- ***Secured Property Taxes*** – Rosenow Spevacek Group’s Final 2016 Report provides the growth factors assumed for the forecast. The following are projections of current secured property tax growth:

FY 2016/17	4.57%
FY 2017/18	4.17%
FY 2018/19	3.67%
FY 2019/20	3.27%
FY 2020/21	2.61%

- ***Public Utility, Unsecured, Homeowners Property Tax Relief, and Supplemental Delinquent Taxes*** – All of these categories of property taxes are projected to remain constant during the forecast period.
- ***State Reimbursements*** – State reimbursements are expected to remain constant, pending more details from CAL FIRE.
- ***Federal Reimbursements*** – This revenue is projected to remain constant.
- ***One-Time Grant/ABH/RDA Proceeds*** – These are one-time only revenues that vary significantly from year to year and therefore are not forecasted beyond the current year. The FY 2015/16 budget was increased by approximately \$9.9M for one-time increases in grants and assistance by hire.
- ***Community Redevelopment Agency Pass-thru Revenue*** – RSG completed a Redevelopment Area Excess Revenue Analysis of pass-thru and residual revenues from the dissolution of the redevelopment agencies dated 4/4/2016. The forecast figures come from this report.
- ***Cash Contracts*** – The forecast calculations are based on the Joint Powers Agreement and subsequent amendments and year-over-year changes are estimated between 1.40% and 3.75% per year. In addition, this revenue category includes estimated John Wayne Airport contract proceeds with an annual 4% increase cap, which is projected to continue through the forecast period.

- **Community Risk Reduction Fees** – Community risk reduction fees are projected to remain constant through the forecast period, pending any changes approved by the Board.
- **ALS Supplies & Transport Reimbursements** –This revenue is estimated to remain flat, pending any changes approved by the Board.
- **Interest Earnings** – Assumes an annual return of 0.75% for FY 2016/17, 1.50% for FY 2017/18, and 2.25% for FY 2018/19 through FY 2020/21. Interest earnings in FY 2016/17 include earnings from the reinvestment of TRAN proceeds.
- **Other Revenue** – This revenue source includes various items such as reimbursements for training and cost recovery for the firefighter handcrew.

General Fund Expenditures

- **Salaries & Employee Benefits** – S&EB is composed of the following factors:
 - ✓ **New Positions for New Stations** – The forecast also assumes that four positions for a Station 20 Truck will be unfrozen 7/1/2017, one Station 67 engine will become operational on 7/1/2019 and a Station 67 truck will be operational on 7/1/2020.
 - ✓ **Employee Salaries** – Projected salaries reflect increases consistent with the approved labor group MOUs. In addition, salary increases are not projected for the years that follow expiration of the current MOUs.
 - ✓ **Retirement** –Retirement costs reflecting the projected employer retirement rates are based on the OCERS provided rates for FY 2016/17 that do not include the 3-year phase-in of the impact of a change in economic assumptions on employer contribution rates for Safety Members (“3-Year Phase-In”). The projected employer rates in the outer years of the forecast assume the 3-Year Phase-In and are based on a study prepared by Segal Consulting and provided by OCERS on 7/10/2015. FY 2016/17 rates are approximately 1.1% higher for safety and 3.8% lower for non-safety compared to FY 2015/16 rates.

FY	Safety	General	Source
2016/17	50.90%	33.30%	Effective rates for FY 2016/17 provided by OCERS without 3-Year Phase-In
2017/18	50.30%	33.80%	Per Segal Study dated July 2015. Effective rates after 3-Year Phase-In adopted by OCERS assuming 0% return in 2015 and 7.25% thereafter.
2018/19	51.90%	34.00%	
2019/20	52.40%	34.50%	
2020/21	53.10%	35.20%	

The FY 2015/16 Budget includes an adjustment of \$12.6M for accelerated paydown of OCFA’s Unfunded Actuarial Accrued Liability (UAAL) from unencumbered fund balance carried over from FY 2014/15.

In accordance with the Updated Snowball Strategy presented to the board in November 2015, outer years of the forecast include the following projected UAAL paydowns:

- Contributing additional funds each year using projected savings that will be realized under new Public Employees' Pension Reform Act (PEPRA) starting at \$2.8M in FY 2015/16 and continuing in different amounts until payment is complete.
 - Contributing an additional \$1M each year starting in FY 2016/17 and increasing by \$2M each year until it reaches \$15M and continuing at \$15M thereafter
 - Contributing \$1 million per year from surplus fund balance available in the Workers' Compensation Self Insurance Fund starting in FY 2016/17 for 5 years.
- ✓ **Workers' Compensation** – FY 2016/17 assumes a 50% confidence level for ongoing Workers' Compensation costs. The 50% confidence level is assumed throughout the forecast period. Workers' Compensation costs in the forecast period are based on projected payments in the Rivelle Consulting Services January 2016 Study.
- ✓ **Other Insurance** – Medical insurance rates for firefighters are assumed to grow annually by 9%. For staff members, it is projected to grow by 10% annually. This category also includes \$35,000 for unemployment insurance in FY 2016/17.
- ✓ **Medicare** – Annual amounts are calculated at 1.41% of projected salaries.
- **One-Time Grant/ABH Expenditures** – These are one-time only expenditures that vary significantly from year to year and therefore are not forecasted beyond FY 2015/16.
 - **Services and Supplies (S&S)** – S&S is held flat unless a new fire station is built, specific increases have been identified by section managers, or one-time grant proceeds have been received.

Net General Fund Revenue

This figure equals the General fund Revenue minus the General Fund Expenditures.

Incremental Increase in General Fund 10% Contingency:

This is the amount needed to add to the General Fund 10% Contingency each year to maintain this category of fund balance at the required policy level of 10% of General Fund expenditures (less one-time expenditures).

General Fund Surplus/(Deficit):

This figure is equal to the Net General Fund Revenue less the incremental increase in the General Fund 10% Contingency. In years when there is a surplus, the amount is transferred to the CIP funds. In years when there is a deficit, the deficit amount must be drawn from the 10% Contingency, and once those are exhausted, from fund balance for CIP.

Capital Improvement Program/Other Funds Revenue:

- **Interest Earnings** – Assumes an annual return of 0.75% for FY 2016/17, 1.50% for FY 2017/18, and 2.25% for FY 2018/19 through FY 2020/21.
- **State/Federal Reimbursement** – The forecast assumes no State/Federal reimbursement revenue in the forecast period.

- **Cash Contracts** – The forecast calculations are based on the Joint Powers Agreement and subsequent amendments.
- **Developer Contributions** –The forecast assumes developer contributions will be used to fund a truck for Station 20 in FY 2015/16 and various vehicles for Rancho Mission Viejo Station 67 in FY 2018/19 and FY 2019/20.
- **Workers' Compensation Transfer** – These amounts equal the General Fund Workers' Compensation budget.
- **Operating Transfer In** – This figure equals the Operating Transfer Out from the General Fund.

Capital Improvement Program/Other Funds Expenditures:

Expenditures for each CIP fund are based on the CIP Budget.

- **Structural Fire Fund Entitlement (Fund 171)** – The forecast period assumes no Structural Fire Fund Entitlement expenditures.
- **Self-Insurance Fund (Fund 190)** – Self-Insurance fund expenditures are based on projected payments in the Rivelle Consulting Services January 2016 Workers' Compensation Actuarial Study.

Fund Balances:

- **Operating Contingency** – Reflects policy of 10% of the General Fund expenditures each year (less one-time expenditures and equity payments). General Fund deficits (if applicable) are deducted from this category of fund balance once the Cash Flow fund balance is exhausted.

Assigned Fund Balances

- **Self-Insurance Fund (Fund 190)** – Funding is set aside for Workers' Compensation outstanding claims at the 50% confidence level per Board policy. The required amount is based on the actuarial report for Estimated Outstanding Losses as of the last full fiscal year prior to report issuance. The required funding levels are maintained by retaining funds in fund balance that reflect the difference between the workers' compensation transfer and Fund 190 expenditures.
- **Capital Improvement Program** – This fund balance includes funding for future capital replacements and is reduced annually by the cost of capital assets and increased in years when there are Operating Transfers into the CIP.

ORANGE COUNTY FIRE AUTHORITY
Salaries & Employee Benefits Assumptions
May 2016

Salaries

Vacant Positions

- Vacant unfrozen positions are budgeted as follows:
 - ✓ Firefighter - step 1
 - ✓ Fire Apparatus Engineer – step 10
 - ✓ Captain - step 10
 - ✓ Staff positions - step 5 for entry level positions, and step 10 for positions with promotional opportunities within the same occupational class series with the exception of: HR Analysts, Senior IT Analysts, and IT Supervisor, which are budgeted at top-step.

- The following 76 frozen positions are not funded in the proposed FY 2016/17 budget:
 - ✓ 2 Sr. Fire Prevention Specialists (CRR; P&D/Inspection)
 - ✓ 4 Fire Prevention Analysts (CRR; P&D)
 - ✓ 1 Assistant Fire Marshal (CRR; P&D)
 - ✓ 2 Senior Accountants (Business Services; Finance/Treasury and Financial Planning)
 - ✓ 1 Assistant Information Technology Manager (Support Services; IT)
 - ✓ 1 Management Analyst (Support Services; Property Management)
 - ✓ 1 Administrative Assistants (Operations)
 - ✓ 1 Benefits Services Manager (Executive Management; Human Resources)
 - ✓ 1 Battalion Chief -Staff position
 - ✓ 1 Heavy Fire Equipment Operator
 - ✓ 1 Fire Pilot
 - ✓ 18 Firefighters (includes T20, M20, Wildland engines)*
 - ✓ 18 Fire Apparatus Engineers (includes T20)*
 - ✓ 24 Fire Captains (includes T20, Admin. Captains)*
 - 21 of the frozen Firefighter Unit positions (see * above) were authorized but never filled
 - 30 of the frozen Firefighter Unit positions (see * above) are backfilled

Merit Increases for Eligible Employees

- Firefighter Unit and OCEA: 2 ½ steps or 6.875% up to step 12
- Administrative Management and Executive Management: 5.5% in August 2016, not to exceed top step

MOU Changes

- Orange County Employees Association (OCEA)
 - ✓ Rates include cost-of-living adjustment of 2.5% effective 3/4/2016 and 3% effective 3/3/2017
 - ✓ New employees hired on or after 1/1/2013 assumed to be under 2.5% @ 67 retirement plan; employee contributions vary based on age of entry
- Fire Management
 - ✓ No cost-of-living adjustments included for FY 2016/17, pending negotiations
- Firefighter Unit
 - ✓ No cost-of-living adjustments included for FY 2016/17, pending negotiations
 - ✓ New employees hired on or after 1/1/2013 assumed to be under 2.7% @ 57 retirement plan; employee contributions vary based on age of entry
- Administrative Management
 - ✓ Rates include cost-of-living adjustment of 2% effective 1/8/2016 and 1.95% effective 1/6/2017
 - ✓ New employees hired on or after 1/1/2013 assumed to be under 2.5% @ 67 retirement plan; employee contributions vary based on age of entry
- Executive Management
 - ✓ No cost-of-living adjustments included for FY 2016/17

Backfill/Holiday/FLSA Adjustment

- Backfill is estimated at \$37,622,432 for FY 2016/17
- Includes funding for 15 Fire Captain and 15 Fire Apparatus Engineer frozen positions
- Also includes funding for the following constant-staffed positions:
 - ✓ 4th Firefighter position on one engine (E34) (funding established pre-OCFA)
 - ✓ 4th Firefighter position on two trucks (T43 and T64) (funding established October 2007)
 - ✓ Helicopter Crew Chief (Fire Captain) (funding established July 2009)
- Estimate is allocated to divisions/sections based on historical usage ratios
- Holiday pay and FLSA adjustment are budgeted on a per employee basis

Reserve Firefighters

- Based on FY 2016/17 projected usage

Other Pay

- The following Other Pays were calculated on a per employee basis:
Supplemental Assignment Pay, Education Incentive Pay, Emergency Medical Technician (EMT) Bonus, Plan Review Pay, Duty Officer Compensation, Bilingual Pay, Executive Management Car Allowance, US&R Tech Truck Certification Pay and the AFTO Bonus Pay

- The following Other Pays were calculated based on historical costs:
Aircraft Rescue Fire Fighting Pay (ARFF), ECC Move-Up Supervisor Pay, Emergency Medical Dispatch Pay, On-Call Pay, Urban Search and Rescue (USAR) Pay, Hazardous Materials Pay, Paramedic Bonus Pay, and FAE/PM Incentive Pay

Vacation/Sick Payoff

- Vacation/Sick Payoff is estimated at \$3,900,000 for FY 2016/17
- Based on projected trends
- Allocated to divisions/sections based on historical usage ratios

Salary Savings

- Salary savings is estimated at \$5,646,484 for FY 2016/17 based on historical trends; the gross savings is approximately \$7,876,280 including retirement and Medicare benefits

Benefits

Group Medical

- Firefighter Unit – based on FF Health Plan Agreement – 9.1% rate increase was effective 1/1/2016. No rate increase is scheduled for FY 2016/17.
- OCEA – based on OCEA MOU - rate increases are determined by premium costs. 1.0% rate increase was effective 1/1/2016. No additional rate increase is scheduled for FY 2016/17.

Health & Welfare

- OCEA - \$52.20 per month per position – no change from prior years
- Firefighter Unit – based on the FF Health Plan Agreement, the Health and Welfare will no longer be separately calculated but included as part of the Firefighter Unit Group Medical rate

Management Insurance

- Includes Management Optional Benefits – no change
- There have been no changes to Life, AD&D and Disability Insurance rates
- Dental rates are estimated to increase by 5% for FY 2016/17
- Vision rates remain unchanged

Retirement

	<u>FY 2016/17 Rate</u>
General (OCEA)	34.02%
FF Unit	55.87%

Management (safety)	55.51%
Management (non-safety)	33.99%
Supported Employment	40.38%

- The above retirement rates represent rates for employees hired prior to 7/1/2011, and are net of employee contributions
- Employee contributions were increased for OCEA, FF Unit, and Executive Management as a result of MOU changes or Personnel and Salary Resolution changes, resulting in a multi-year phased in approach to achieving employees paying 50% normal cost for employee retirement contributions
- New hires employed after 1/1/2013 are subject to the PEPRA Plan with a lower retirement rate
- Retirement costs are net of savings related to the prepayment to OCERS of \$2,030,001

Workers' Compensation

- FY 2016/17 amount of \$11,444,465 represents the projected expenditures at the 50% confidence level based on the actuarial report dated 1/26/2016
- Third Party Administrator (TPA) and excess insurance costs included in Services and Supplies

Unemployment Insurance

- Budgeted at \$35,000 for FY 2016/17 based on historical data

Medicare

- Effective rate of 1.41% of salary for employees hired after 4/1/1986
- Calculated effective rates are applied to Backfill/Overtime, Other Pays, Vacation/Sick Payoffs, and Salary Savings



ORANGE COUNTY FIRE AUTHORITY
FUND 121 - GENERAL FUND
REVENUE SUMMARY
FY 2016/17

DESCRIPTION	FY 2015/16 Adopted Budget	FY 2016/17 Proposed Budget	\$ Change fr FY 2015/16 Adopted	% Change fr FY 2015/16 Adopted
PROPERTY TAXES	\$214,445,545	\$227,439,867	\$12,994,322	6.06%
INTERGOVERNMENTAL	14,942,177	15,392,901	450,724	3.02%
CHARGES FOR CURRENT SVCS	101,969,304	102,840,465	871,161	0.85%
USE OF MONEY AND PROPERTY	658,828	961,615	302,787	45.96%
OTHER	1,058,733	1,112,197	53,464	5.05%
TOTAL REVENUE	\$333,074,587	\$347,747,045	\$14,672,458	4.41%

ORANGE COUNTY FIRE AUTHORITY**FUND 121 - GENERAL FUND****REVENUE DETAIL****FY 2016/17**

DESCRIPTION	FY 2015/16 Adopted Budget	FY 2016/17 Proposed Budget	\$ Change fr FY 2015/16 Adopted	% Change fr FY 2015/16 Adopted
TAXES				
Property Taxes, Current Secured	\$200,957,801	\$214,242,349	\$13,284,548	6.61%
Property Taxes, Current Unsecured	7,187,571	6,894,000	(293,571)	-4.08%
Property Taxes, Prior Unsecured	112,894	112,894	-	0.00%
Property Taxes, Supplemental	4,623,340	4,623,340	-	0.00%
Delinquent Supplemental	201,867	201,867	-	0.00%
Homeowner Property Tax	1,362,072	1,365,417	3,345	0.25%
TOTAL PROPERTY TAXES	214,445,545	227,439,867	12,994,322	6.06%
INTERGOVERNMENTAL				
State				
State-Civil Defense SONGS/NPP	-	-	-	0.00%
SRA-Wild lands (CAL FIRE Contract)	4,683,198	5,076,668	393,470	8.40%
Assistance by Hire (State)	200,000	200,000	-	0.00%
Mandated Reimb. SB90	-	-	-	0.00%
Helicopters' Billing - CAL FIRE	10,000	10,000	-	0.00%
Misc. State Revenue	-	-	-	0.00%
SUB-TOTAL	4,893,198	5,286,668	393,470	8.04%
Federal				
Disaster Relief-Federal	-	-	-	0.00%
USAR Reimbursements	-	-	-	0.00%
Assistance by Hire (Federal)	100,000	100,000	-	0.00%
Misc Federal Revenue	-	-	-	0.00%
SUB-TOTAL	100,000	100,000	-	0.00%
CRA Pass-Through				
Cypress-CRA Pass thru	685,283	718,577	33,294	4.86%
Irvine - CRA Pass thru	977,141	1,066,917	89,776	9.19%
La Palma - CRA Pass thru	402,713	309,684	(93,029)	-23.10%
Lake Forest - CRA Pass thru	404,999	839,783	434,784	107.35%
Mission Viejo Pass thru	1,452,372	980,128	(472,244)	-32.52%
San Juan Caps - CRA Pass thru	1,007,659	1,044,321	36,662	3.64%
County of Orange Pass-Through	2,764,296	2,676,486	(87,810)	-3.18%
Yorba Linda - CRA Pass thru	2,254,516	2,370,337	115,821	5.14%
Misc. One-Time RDA revenue	-	-	-	0.00%
SUB-TOTAL	9,948,979	10,006,233	57,254	0.58%
TOTAL INTERGOVERNMENTAL	14,942,177	15,392,901	450,724	3.02%

ORANGE COUNTY FIRE AUTHORITY
FUND 121 - GENERAL FUND
REVENUE DETAIL
FY 2016/17

DESCRIPTION	FY 2015/16 Adopted Budget	FY 2016/17 Proposed Budget	\$ Change fr FY 2015/16 Adopted	% Change fr FY 2015/16 Adopted
CHARGES FOR CURRENT SERVICES				
Cash Contracts				
San Clemente-Ambulance S&EB	525,320	490,922	(34,398)	-6.55%
San Clemente-Ambulance S&S	27,853	26,707	(1,146)	-4.11%
Facility Maintenance Charges	250,000	250,000	-	0.00%
Tustin	6,778,478	6,963,602	185,124	2.73%
Placentia	5,659,589	5,698,903	39,314	0.69%
Santa Ana	37,014,682	37,528,461	513,779	1.39%
Santa Ana S&EB Reimbursement	200,000	100,000	(100,000)	-50.00%
Seal Beach	4,672,456	4,800,680	128,224	2.74%
Stanton	3,800,518	3,912,499	111,981	2.95%
JWA Contract	4,425,479	4,475,677	50,198	1.13%
Buena Park	9,651,490	9,901,736	250,246	2.59%
San Clemente	7,549,855	7,723,348	173,493	2.30%
Westminster	10,222,871	10,485,045	262,174	2.56%
SUB-TOTAL	90,778,591	92,357,580	1,578,989	1.74%
Community Risk Reduction Fees				
AR Late Payment Penalty	8,400	8,400	-	0.00%
Inspection Services Revenue	2,253,602	2,253,602	-	0.00%
P&D Fees	4,036,602	4,036,602	-	0.00%
False Alarm	150,000	150,000	-	0.00%
SUB-TOTAL	6,448,604	6,448,604	-	0.00%
Other Charges for Services				
Hazmt Response Subscription Prog	4,951	4,951	-	0.00%
Charge for Hand Crew Services	166,584	100,000	(66,584)	-39.97%
SUB-TOTAL	171,535	104,951	(66,584)	-38.82%
Ambulance Reimbursements				
Ambulance Supplies Reimbursement	1,030,920	1,030,920	-	0.00%
ALS Transport Reimbursement	3,539,654	2,898,410	(641,244)	-18.12%
SUB-TOTAL	4,570,574	3,929,330	(641,244)	-14.03%
TOTAL CHGS FOR CURRENT SVCS	101,969,304	102,840,465	871,161	0.85%

ORANGE COUNTY FIRE AUTHORITY
FUND 121 - GENERAL FUND
REVENUE DETAIL
FY 2016/17

DESCRIPTION	FY 2015/16 Adopted Budget	FY 2016/17 Proposed Budget	\$ Change fr FY 2015/16 Adopted	% Change fr FY 2015/16 Adopted
USE OF MONEY AND PROPERTY				
Interest				
Interest	658,828	961,615	302,787	45.96%
TOTAL USE OF MONEY/PROPERTY	658,828	961,615	302,787	45.96%
REVENUE - OTHER				
Miscellaneous Revenue				
Other Revenue	5,000	5,000	-	0.00%
Miscellaneous Revenue	123,145	135,145	12,000	9.74%
Restitution	1,000	1,000	-	0.00%
RFOTC Cell Tower Lease Agreement	41,000	43,260	2,260	5.51%
Fullerton Airport Hangar Lease	59,088	171,336	112,248	189.97%
Witness Fees	4,500	4,500	-	0.00%
Misc Revenue - Donations	-	-	-	0.00%
Joint Apprenticeship Comm (CFFJAC)	150,000	100,000	(50,000)	-33.33%
Santa Ana College Agreement	600,000	500,000	(100,000)	-16.67%
Bankruptcy Loss Recovery	25,000	101,956	76,956	307.82%
Insurance Settlements	-	-	-	0.00%
Sales of Surplus	50,000	50,000	-	0.00%
Non-Taxable Sales	-	-	-	0.00%
TOTAL OTHER REVENUE	1,058,733	1,112,197	53,464	5.05%
TOTAL	\$333,074,587	\$347,747,045	\$14,672,458	4.41%

**ORANGE COUNTY FIRE AUTHORITY
FY 2016/17 Revenue Assumptions
May 2016**

Property Taxes

Current Secured

- Based on growth in current secured property of 4.57% for FY 2016/17 per RSG's final study dated April 4, 2016
- Based on FY 2015/16 tax ledger and estimated 1.00% refund factor
- Public utility taxes are based on the FY 2015/16 tax ledger

Current Unsecured

- Based on 0% growth factor as provided by RSG
- Based on FY 2015/16 tax ledger and estimated 8.50% refund factor

Supplemental

- Based on the FY 2015/16 projection

Homeowner Property Tax Relief

- Based on FY 2015/16 receipts and a reduction of 1.7% for FY 2016/17, which reflects historical trends

Intergovernmental

State Responsibility Area (SRA) – Wildlands CAL FIRE Contract

- Based on the FY 2015/16 contract amount per the Gray Book (CAL FIRE's notice of allocation to the contract counties)

Assistance by Hire – State

- Estimates based on historical trends, excluding extraordinary activity

Assistance by Hire – Federal

- Estimates based on historical trends, excluding extraordinary activity

Community Redevelopment Agency (CRA) Pass-thru

- The FY 2016/17 Budget is based on projections from RSG dated April 4, 2016

Charges for Current Services

Cash Contract Cities

- Based on estimated budget increases of 1.40% in FY 2016/17
- Based on the 20-year JPA agreement which includes the shortfall amortization
- San Clemente's ambulance service costs reflect the discontinuation of seasonal ambulance service as of October 21, 2015
- The City of Placentia's service charge reflects the service configuration changes recently approved by the Board, with the financial impact to be phase-in over two fiscal years, beginning in FY 2016/17

John Wayne Airport Contract

- Based on the FY 2016/17 estimated charge

Community Risk Reduction Fees

- Planning and Development fees are based on the FY 2015/16 projection
- Inspection Services revenue is based on the FY 2015/16 projection

Advance Life Support (ALS) Transport and Supplies Reimbursements

- Based on FY 2015/16 budget

Use of Money and Property

Interest

- Interest earnings based on latest FY 2015/16 projection
- Tax and Revenue Anticipation Note (TRAN) reinvestments earnings based on FY 2015/16 budget

Other Revenue

Miscellaneous Revenue

- Based on FY 2015/16 projection

Capital Improvement Plan Overview

Introduction

The Orange County Fire Authority's Capital Improvement Program (CIP) has been reviewed and updated through FY 2020/21 to coincide with the FY 2016/17 budget. The proposed FY 2016/17 CIP budget is \$29.6 million and reflects a net increase of \$15.5 million compared to the prior adopted five-year CIP budget.

Some significant projects in the FY 2016/17 budget include the replacement of Fire Station 10 in Yorba Linda (\$7.5M), the remodel of Fire Station 11 in Emerald Bay (\$550K), 800 MHz Countywide Coordinated Communications System replacement (\$7.5M), Community Risk Reduction (CRR) Automation –Integrated Fire Prevention (IFP) Replacement (\$900K), Incident Reporting Application Replacement (\$400K), personal computer (PC)/laptops/printer replacement (\$653K), the purchase of six Type I engines (\$3.6M), one 100' Quint (\$1.4M) and three paramedic squads (\$650K).

CIP Funds

The OCFA's five-year CIP is organized into four funds. A description of each fund is located in each section. Major funding sources for the CIP include operating transfers from the General Fund, interest, developer contributions, and contracts with member cities. Lease Purchase Financing Agreements also provide cash flow funding for the CIP. Currently, projects are primarily funded through use of fund balances.

CIP Highlights

Fund 12110 – General Fund CIP

FY 2016/17 Budget Request - \$1.8M

- Includes approximately \$653K for Personal Computer (PC)/Laptop/Printer Replacement, \$400K for Network, Servers and Security, \$168K Fire Station Telephone/Alarm/Sound System upgrades, \$162K for the 800 MHz radios, and approximately \$148K for the Mobile Data Computer (MDC) System
-

Fund 123 – Fire Stations and Facilities

FY 2016/17 Budget Request - \$8.4M

- Includes \$7.5M for the replacement of Fire Station 10 (Yorba Linda)
 - Includes \$550K for the remodel of Fire Station 11 (Emerald Bay)
 - Includes \$325K for additional tenant improvements necessary in order to fully utilize the US&R warehouse purchased in FY 2014/15.
-

Fund 124 – Communications & Information Systems

FY 2016/17 Budget Request - \$9.6M

- Includes projects related to communications and information technology infrastructure such as the 800 MHz Countywide Coordinated Communications System Replacement (\$7.5M).
 - Includes projects related to systems development and support such as the replacement of the CRR – Integrated Fire Prevention application (\$900K) and the Incident Reporting Application Replacement (\$400K). Both are part of the Records Management System (RMS) component of the Public Safety Systems replacement project. Other project includes the Next Generation CAD2CAD (\$450K) which is the upgrade of the existing regional CAD2CAD system.
 - Includes projects related to communications and workplace support such as the Audio Video Equipment upgrade (\$300K)
-

Fund 133 – Fire Apparatus

FY 2016/17 Budget Request - \$9.9M

- Emergency vehicles include the purchase of six Type I engines (\$3.6M), one 100' Quint (\$1.4M), three paramedic squads (\$650K), three battalion chief command vehicles (\$278K), one crew carrying vehicle (\$258K), one dozer transport tractor (\$201K), four mid-size 4x4 4 door vehicles (\$175K), one ambulance (\$148K), one hook-truck/dump truck (\$145K), and one crew cab dozer tender (\$88K)
 - Includes the purchase of ten support vehicles (\$438K)
 - Includes debt payments towards the lease-purchase agreement for the helicopters (\$2.5M)
-

ORANGE COUNTY FIRE AUTHORITY
CAPITAL IMPROVEMENT PROGRAM
FIVE-YEAR PLAN SUMMARY FY 2016/17 - FY 2020/21

Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year TOTAL
<i>Fund 12110</i> General Fund CIP	\$1,823,000	\$1,234,400	\$1,685,700	\$1,398,700	\$1,368,700	\$7,510,500
<i>Fund 123</i> Fire Stations and Facilities	8,375,000	6,700,000	385,000	-	-	15,460,000
<i>Fund 124</i> Communications and Information Systems	9,595,117	3,906,511	4,444,367	1,000,000	1,000,000	19,945,995
<i>Fund 133</i> Fire Apparatus	9,848,181	7,598,371	7,717,302	7,207,494	4,079,908	36,451,256
GRAND TOTAL	\$29,641,298	\$19,439,282	\$14,232,369	\$9,606,194	\$6,448,608	\$79,367,751
Less: Non-discretionary lease installment payments	2,531,723	2,531,723	1,265,862	-	-	6,329,308
TOTAL CIP PROJECTS	\$27,109,575	\$16,907,559	\$12,966,507	\$9,606,194	\$6,448,608	\$73,038,443

ORANGE COUNTY FIRE AUTHORITY
CAPITAL IMPROVEMENT PROGRAM
FIVE-YEAR PLAN PROJECT LISTING

Item No.	Project Priority	Project	FY 2016/17
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GENERAL FUND CIP - FUND 12110

1	A	800 MHz Radios	\$162,000
2	A	900 MHz Pagers, Faxes, Small Equipment Replacement	41,600
3	A	Data Storage, Backup, and Recovery	96,000
4	A	Fire Station Telephone/Alarm/Sound System Upgrades	168,000
5	A	Mobile Data Computer (MDC) System	147,800
6	A	Network, Servers, Security	400,000
7	A	Personal Computer (PC)/Laptop/Printer Replacements	652,500
8	A	VHF Radios	35,100
9	B	Geographic Information Systems (GIS) Plotters, Equipment	50,000
10	B	Digital Ortho Photography	70,000
11	A	RFOTC Telephone System Upgrade	-
Total - Fund 12110			\$1,823,000

FIRE STATIONS & FACILITIES - FUND 123

1	A	Station 20 (Irvine)	Developer Build
2	A	US&R Warehouse Improvements	325,000
3	A	Remodel of Station 11 (Emerald Bay)	550,000
4	B	Replacement of Station 10 (Yorba Linda)	7,500,000
5	A	Station 61 (Buena Park) - to be built per the City of Buena Park	-
6	A	Station 67 (Rancho Mission Viejo)	-
7	B	Replacement of Station 9 (Mission Viejo)	-
8	C	RFOTC Building B - ECC - installation of observation windows	-
Total - Fund 123			\$8,375,000

Project Priority: A=Essential; B=Important; C=Could Defer; CY=Current Fiscal Year

Item No.	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year TOTAL
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1	\$85,500	\$85,500	\$31,500	\$27,000	\$391,500
2	41,600	41,600	41,600	41,600	208,000
3	96,000	96,000	96,000	96,000	480,000
4	168,000	328,000	328,000	328,000	1,320,000
5	460,000	460,000	460,000	55,800	1,583,600
6	160,000	160,000	160,000	160,000	1,040,000
7	202,500	202,500	202,500	652,500	1,912,500
8	20,800	22,100	9,100	7,800	94,900
9	-	-	-	-	50,000
10	-	-	70,000	-	140,000
11	-	290,000	-	-	290,000
	\$1,234,400	\$1,685,700	\$1,398,700	\$1,368,700	\$7,510,500

1	-	-	-	-	-
2	200,000	275,000	-	-	800,000
3	-	-	-	-	550,000
4	-	-	-	-	7,500,000
5	Buena Park Build	-	-	-	-
6	Developer Build	-	-	-	-
7	6,500,000	-	-	-	6,500,000
8	-	110,000	-	-	110,000
	\$6,700,000	\$385,000	-	-	\$15,460,000

ORANGE COUNTY FIRE AUTHORITY
CAPITAL IMPROVEMENT PROGRAM
FIVE-YEAR PLAN PROJECT LISTING

Item No.	Project Priority	Project	FY 2016/17
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COMMUNICATIONS & INFORMATION SYSTEMS - FUND 124

1	A	800 MHz Countywide Coordinated Communications System Replacement	\$7,540,000
2	A	Community Risk Reduction Automation - IFP Replacement	905,117
3	A	Incident Reporting Application Replacement	400,000
4	B	Audio Video Equipment Upgrades	300,000
5	B	Next Generation CAD2CAD	450,000
6	B	Mobile 911 Emergency Command Center	-
7	B	Fleet Services Fuel Management Tracking System	-
8	B	RFOTC Data Center Suppression System	-
9	B	OCFA Disaster Recovery Co-Location Facility	-
		Total - Fund 124	\$9,595,117

FIRE APPARATUS - FUND 133

1	A	Lease Purchase Financing: Principal & Interest	\$2,531,723
2	A/B	Emergency Vehicles	6,878,930
3	A	Developer Funded Vehicles	-
4	B	Support Vehicles	437,528
		Total - Fund 133	\$9,848,181

		GRAND TOTAL - ALL CIP FUNDS	\$29,641,298
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Project Priority: A=Essential; B=Important; C=Could Defer

Item No.	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year TOTAL
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1	-	\$3,539,250	-	-	\$11,079,250
2	905,117	905,117	-	-	2,715,351
3	400,000	-	-	-	800,000
4	-	-	-	-	300,000
5	-	-	-	-	450,000
6	2,000,000	-	-	-	2,000,000
7	601,394	-	-	-	601,394
8	-	-	1,000,000	-	1,000,000
9	-	-	-	1,000,000	1,000,000
	\$3,906,511	\$4,444,367	\$1,000,000	\$1,000,000	\$19,945,995

1	\$2,531,723	\$1,265,862	-	-	\$6,329,308
2	4,752,200	5,298,731	5,397,758	4,007,700	26,335,319
3	-	1,016,577	1,774,683	-	2,791,260
4	314,448	136,132	35,053	72,208	995,369
	\$7,598,371	\$7,717,302	\$7,207,494	\$4,079,908	\$36,451,256
	\$19,439,282	\$14,232,369	\$9,606,194	\$6,448,608	\$79,367,751



Fund 12110

General Fund - CIP



This fund is a sub-fund of the General Fund used to account for financial activity associated with maintenance and improvement projects that while considered “capital in nature”, do not meet the criteria to be included in a Capital Project Fund. This fund’s primary sources of revenue are operating transfers from the General Fund.

800 MHZ RADIOS

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Workplace Support

Project Description: Mobile Radio replacement is required approximately every nine to eleven years due to wear and exposure factors. New radios are typically installed in new apparatus, and the life of mobile radios corresponds to the life of the apparatus. Therefore, radio purchases coincide with the vehicle replacement plan. Additionally, as older portable radios experience wear, their replacements are added into the long-term budget. Current pricing per mobile radio averages \$4,000 and adding dual head radios for command vehicles increases costs to approximately \$5,075. All radios purchased are P25 ready and will be 100% compatible with the separate project to upgrade the 800MHz Countywide Combined Communication System and existing 800MHz radios that currently is underway.



Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Special department expense	\$162,000	\$85,500	\$85,500	\$31,500	\$27,000	\$391,500
Total	\$162,000	\$85,500	\$85,500	\$31,500	\$27,000	\$391,500

Impact on Operating Budget: Ongoing replacement of radios will help control maintenance costs in the operating budget.

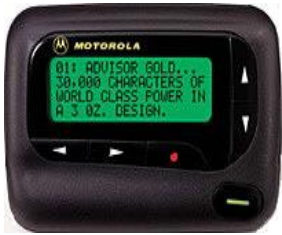
900MHZ PAGERS, FAXES, SMALL EQUIPMENT REPLACEMENT

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Workplace Support

Project Description: The OCFA utilizes about 1,375 pagers, 250 personal communication devices, vehicle intercom headsets, portable radio lapel microphones, and several other related small equipment items. Replacement is required approximately every three to five years because of wear and exposure factors. The components in pagers break down over time and lose critical sensitivity capability needed for optimal performance. The OCFA reserve firefighter personnel use pagers as their primary alerting system for emergency incidents. Their responsibilities require that the pager be reliable 24 hours a day. The budget allows for the annual purchase of replacement equipment at a cost of about \$130 each.



Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Office Expense	\$41,600	\$41,600	\$41,600	\$41,600	\$41,600	\$208,000
Total	\$41,600	\$41,600	\$41,600	\$41,600	\$41,600	\$208,000

Impact on Operating Budget: The timely replacement of 900 MHz pagers, intercom headsets, lapel microphones, and other small equipment may result in fewer maintenance expenditures in the operating budget.

DATA STORAGE, BACKUP, AND RECOVERY

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – IT/Communication Infrastructure

Project Description: This item is an annual, ongoing project to upgrade and/or replace outdated computer servers and expand the existing storage area network (SAN) to accommodate the ongoing move towards virtualized server-based centralized storage, and backup of critical department information. The OCFA currently has 170+ servers that support all of the business systems including: Exchange (E-mail), Orange County Fire Incident Reporting System (OCFIRS), Integrated Fire Prevention (IFP), Computer Aided Dispatch (CAD), Automatic Vehicle Location (AVL), Intranet, GIS, etc. The useful life of servers, SAN's, and other related hardware can range from three to five years.



This project will also implement auto archiving of the email database to near line storage through group-based business rules, e-discovery support, and compliance support. Project costs also include associated contracted professional services.

Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Equipment expense	\$96,000	\$96,000	\$96,000	\$96,000	\$96,000	\$480,000
Total	\$96,000	\$96,000	\$96,000	\$96,000	\$96,000	\$480,000

Impact on Operating Budget: The replacement of servers may help control maintenance costs in the operating budget and improve application performance.

FIRE STATION TELEPHONE/ALARM/SOUND SYSTEM UPGRADES

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & IT Infrastructure

Project Description: Acquisition and installation of new Fire Station alarm/sound systems and telephone systems are necessary as the equipment becomes old, outdated, and parts are no longer available. In addition, replacement equipment is more "user-friendly" and more efficient to maintain. The expected life of the Fire Station alarm/sound and phone systems is about fifteen years.



In 2014, the Westnet Fire Station Alerting system integration project which was part of the new CAD system implementation was completed at all 72 Fire Stations. During the project implementation period, a thorough evaluation of the existing Fire Station Alerting System infrastructure was completed at all Fire Stations. Most of the stations had components of the Fire Station Alerting/sound systems that need

to be repaired or replaced. All of them were using outdated electron-mechanical relays and amplifiers. The cost per station to completely upgrade the Station Alerting/sound systems ranges from \$40,000 to \$100,000 depending on the complexity of the station, number of crews and apparatus deployed, and condition of existing infrastructure. All of the OCFA Fire Stations are to be upgraded to the Westnet Fire Station Alerting/sound system. The installation is time-consuming and complex, and staff anticipates upgrading about 3 stations per year for the first 5 years, then accelerating the pace to about 6 stations per year for the remaining 10 years of the estimated 15-year project duration.



The Phone System cost averages approximately \$10,000 per fire station. All OCFA Fire Stations will be upgraded to a Voice over Internet Protocol (VoIP) system. Staff is planning to upgrade 10 station phone systems per year until all stations have been upgraded after which the stations will be upgraded about every 15 years.

Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	\$168,000	\$168,000	\$328,000	\$328,000	\$328,000	\$1,320,000
Total	\$168,000	\$168,000	\$328,000	\$328,000	\$328,000	\$1,320,000

Impact on Operating Budget: The replacement of old equipment may help control maintenance costs included in the operating budget.

MOBILE DATA COMPUTER (MDC) SYSTEM

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Workplace Support

Project Description: The MDCs are used for the delivery of emergency messages and information, including initial dispatch of fire and paramedic services. The service life for the various MDC components is as follows: the central processing unit (CPU), four to six years; screen and keyboard, three to five years; broadband modem, five to seven years. The total system cost including installation is \$8,500 and is based on the current form factor used. The cost to replace the CPU, screen, keyboard and related software is about \$6,000. Staff is evaluating different form factors including computer tablet type devices which may result in lower per unit prices if a compatible device becomes available.

This budget item reflects the cost to support the addition of MDCs to be used for rotational stock during installation in new apparatus, and for service and maintenance as the current MDCs age and repair and trade out of devices is required. It also allows for the first year of a three-year phased replacement of other existing MDCs as they reach end-of-life starting in FY 2017/18 completing in FY 2019/20.



Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Special department expense	\$147,800	\$460,000	\$460,000	\$460,000	\$55,800	\$1,583,600
Total	\$147,800	\$460,000	\$460,000	\$460,000	\$55,800	\$1,583,600

Impact on Operating Budget: Replacement of the MDCs may help control maintenance costs included in the operating budget.

NETWORK, SERVERS, SECURITY

Project Priority: A

Project Type: Equipment Replacement/New Technology

Project Management: IT – IT/Communications Infrastructure

Project Description: Several core network components installed in 2004 are now at “end of life” for support and maintenance. These components will be replaced with technology that increases bandwidth, or network capacity necessary due to the expansion of applications including GIS, Records Management systems, centralized storage of departmental data, data collaboration across applications, and online training utilizing streaming media. We will replace core components in the Data Center and individual IDF’s (Intermediate Distribution Facility – more commonly known as data/phone connection closets).

We will continue to implement virtualization to support server consolidation. Phased approach includes test environment, migration to pilot, and then to production. This supports a long-range goal of virtual environment utilization as a component for Disaster Recovery. Project costs also include associated contracted professional services.



Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment expense	\$400,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,040,000
Total	\$400,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,040,000

Impact on Operating Budget: Replacement of the hardware may help control maintenance costs included in the operating budget.

PERSONAL COMPUTER (PC)/LAPTOP/PRINTER REPLACEMENTS

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Workplace Support

Project Description: An evaluation and analysis of the OCFA's Personal Computer (PC) inventory by Gartner Inc. during the Information Technology Strategic Plan study a few years ago recommended that desktop computers be replaced on a four-year rotation plan. Due to recent fiscal constraints, computers that do not support emergency response have been moved to a five-year replacement schedule. The PC replacement budget is based on \$1,500 per unit, which includes adequate funding to replace associated printers and peripherals at the same time. It also includes replacement of department-authorized, mission-critical laptop computers and tablets on an as-needed basis.



In FY 2016/17, funding has been added to replace all current Microsoft Windows based ruggedized tablets (175) used for the OCMEDS electronic Patient Care Reporting (ePCR) system. The new tablets will use the next generation OCMEDS application which is anticipated to go live in late 2016. The new OCMEDS application will be internet browser based which means it can run on other types of data tablets (Windows, Apple, Android) that are internet capable. Operations personnel overwhelming support using semi-rugged iPad tablets which cost about \$1,500 per unit with associated mounting hardware, and have a three-to-four year life expectancy. The lower cost per unit may allow deployment of more than one iPad per apparatus.

Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Equipment	\$652,500	\$202,500	\$202,500	\$202,500	\$652,500	\$1,912,500
Total	\$652,500	\$202,500	\$202,500	\$202,500	\$652,500	\$1,912,500

Impact on Operating Budget: Deferral of PC and tablet replacements beyond four years will increase repair and maintenance costs.

VHF RADIOS

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Workplace Support

Project Description: This project is for the purchase and replacement of VHF mobile and portable radios. These radios are used for state and mutual aid communications with agencies not on the County 800 MHz radio system. Approximately 800 mobile and portable radios are installed fleet wide. Use of VHF radios ensures communication and enhances the safety of firefighters on automatic and mutual aid responses with the California Department of Forestry, Fire Protection (CAL FIRE), and the United States Forest Service (USFS) in state and federal responsibility areas, as well as contracts with agencies outside Orange County. These radios have a useful life of nine years. Budgeted replacement costs are based on the useful life of the existing radio inventory, and are tied to the new vehicle replacement schedule. Average price per mobile radios is \$1,500.



Project Status: Ongoing

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Special department expense	\$35,100	\$20,800	\$22,100	\$9,100	\$7,800	\$94,900
Total	\$35,100	\$20,800	\$22,100	\$9,100	\$7,800	\$94,900

Impact on Operating Budget: The replacement of radios helps control maintenance costs included in the operating budget.

GEOGRAPHIC INFORMATION SYSTEMS (GIS) PLOTTERS, EQUIPMENT

Project Priority: B

Project Type: Equipment Replacement

Project Management: IT – GIS

Project Description: Geographic Information Systems (GIS) and mapping activities use large plotters, printers and non-standard output devices. These devices are used to print large wall maps used at fire stations, in the Emergency Command Center (ECC) and during emergency incident planning. These devices require replacement about every four years.

Project Status: Purchase two printers in FY 2016/17.



Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	\$50,000	-	-	-	-	\$50,000
Total	\$50,000	-	-	-	-	\$50,000

Impact on Operating Budget: No impact.

DIGITAL ORTHO PHOTOGRAPHY

Project Priority: B

Project Type: Equipment Replacement

Project Management: IT – GIS

Project Description: Digital Ortho Photography (DOP) provides an accurate record of all physical data that exists in the County and area of service at a given point in time. DOP is important to the OCFA as a management tool for the effective and efficient operation of a number of business needs and for spatial data capture and verification. Some of the OCFA business needs supported by DOP include:

- Special Area Maps and preplans to guide first responders into difficult areas such as apartment complexes and shopping centers.
- Provide dispatchers a visual record to facilitate response assignments.
- Establish a default map viewing context for the Automatic Vehicle Location System (AVL).
- Facilitate vehicle routing to target locations.
- Assist in reconstructing and investigating crimes.
- More effectively manage urban and wildland interfaces.
- Quality control addresses for run maps.
- Verify pre-existing or non-conforming conditions for inspections.
- Include aerial imagery of new developments.



Project Status: Will purchase data in FY 2016/17 and FY 2019/20.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	\$70,000	-	-	\$70,000	-	\$140,000
Total	\$70,000	-	-	\$70,000	-	\$140,000

Impact on Operating Budget: No impact.

RFOTC TELEPHONE SYSTEM UPGRADE

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications Infrastructure

Project Description: The OCFA's Administrative telephone system was placed in service in 2004. The system continues to function but parts are becoming difficult to obtain and it is reaching the end of its service life and must be replaced. It was upgraded in FY 2015/16 to extend the life of the system a few more years.



The new OCFA Administrative telephone system will utilize standard Voice over Internet Protocol (VoIP) technology which is next generation technology from the current OCFA phone system. One of the benefits of VoIP is a much smaller 'footprint' in the OCFA datacenter for the system. VoIP technology provides much more flexibility with the types of handsets that can be used, and because it uses Internet Protocol and common computer data cable connections, the phones can be plugged in wherever there is a data connection at the RFOTC facilities and be connected. Maintenance and administration is simpler with a VoIP system versus the current legacy system.

The OCFA 9-1-1 Phone system was replaced with a VoIP system in 2015, and all OCFA Fire Stations are having their phone systems replaced with VoIP technology.

Project Status: Project completion scheduled for FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	-	-	\$290,000	-	-	\$290,000
Total	-	-	\$290,000	-	-	\$290,000

Impact on Operating Budget: Ongoing annual maintenance costs are included in the General Fund.

Fund 123

Fire Stations and Facilities



This fund is for capital expenditure requirements such as replacing sub-standard fire stations, construction new fire stations, and remodeling of fire stations. Significant funding sources include operating transfer from the General Fund, and contributions or reimbursements from developers responsible for a share of new fire station development costs.

US&R WAREHOUSE IMPROVEMENTS

Project Priority: A

Project Org: P535

Project Type: Facilities/Site Repair

Project Management: Property Management

Project Description: The OCFA manages and operates the FEMA Urban Search and Rescue Task Force 5 (US&R). Task Force 5 is comprised of large over-the-road semi-tractor trailers, other vehicular rolling stock and a large cache of urban search and rescue equipment, materials and supplies. In order to fully comply with FEMA standards for storage and management, vehicles and materials must be secured indoors, under cover, in an environmentally controlled warehouse. For these reasons, a warehouse storage facility capable of storing all US&R vehicles and materials was identified and purchased in FY 2014/15. This facility provides a single, consolidated location that helps facilitate the maintenance, exercise and readiness of disaster equipment. In FY 2015/16, funding was required for improvements and repairs necessary to align the building with current code requirement which include expansion/installation of roll up vehicle doors, a new exhaust extraction system and phone/IT upgrades.

However, additional improvements are necessary in order to further utilize this building. Tenant improvements to the building which include classrooms, offices and a conference room will be the focus for the FY 2016/17 funding. Additional funding in FY 2017/18 and FY 2018/19 is anticipated for additional tenant improvements, classroom and office space, that will allow the OCFA to fully utilize the building for the intended purpose.

Project Status: A warehouse storage facility was identified and purchased in FY 2014/15. Improvements/Repairs commenced in FY 2015/16 and are scheduled to be completed in FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Maintenance – Buildings & Improvements	\$325,000	\$200,000	\$275,000	-	-	\$800,000
Total	\$325,000	\$200,000	\$275,000	-	-	\$800,000

Impact on Operating Budget: Ongoing annual operational costs of \$34,698 are included in the current operating budget.

REMODEL OF FIRE STATION #11 (EMERALD BAY)

Project Priority: A

Project Type: Alteration and Improvement

Project Management: Property Management

Project Description: Remodel of (2) existing, non-accessible restrooms to provide one accessible and one non-accessible restrooms (both unisex); Remodel of kitchen; New appliances and fixtures; New accessible parking; New ramp and paving changes to provide handicap access to upper floor from public right of way. New landscaping and irrigation in areas effected by site grading alterations.

Project Status: Architectural plans have been prepared and are being reviewed by the County of Orange. Pending review and approval of plans this project will then be sent out to bid.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Maintenance – Buildings & Improvements	\$550,000	-	-	-	-	\$550,000
Total	\$550,000	-	-	-	-	\$550,000

Impact on Operating Budget: Ongoing annual operational and maintenance costs are included in the current operating budget.

REPLACEMENT OF FIRE STATION 10 (YORBA LINDA)

Project Priority: B

Project Type: Replacement fire station construction

Project Management: Property Management

Project Description: This project contemplates planning, design, demolition and replacement of Fire Station 10, constructed in 1972 along with the adjacent Old Fire Station 10, constructed in 1938. Both facilities currently occupy a combined site comprising 0.74 of one acre, anticipated to be exchanged for a replacement one acre site a quarter of a mile from the current stations location. The project is contemplated in concert with a general renewal of Historic Old Town Yorba Linda currently in process with the City of Yorba Linda. The project includes all demolition of current sites, planning, design and construction of a temporary fire station, grading and planning design and construction of an approximately 15,000 square foot, two company, three apparatus bay fire station with added standard modules to support a Division Chief and a station training room.

Project Status: Project is anticipated to commence in FY 2016/17. Project delivery is anticipated to be Design-Build. Historic Architectural Review Reporting required for compliance with the California Environmental Quality Act and permitting is in process.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Planning, demolition, temporary fire station and construction	\$7,500,000	-	-	-	-	\$7,500,000
Total	\$7,500,000	-	-	-	-	\$7,500,000

Impact on Operating Budget: Replacement Fire Station 10 (Yorba Linda) will improve Division 4 Operational Control and Service Delivery.

REPLACEMENT OF FIRE STATION 9 (MISSION VIEJO)

Project Priority: B

Project Type: Replacement fire station construction

Project Management: Property Management

Project Description: This project contemplates planning, design, demolition and replacement of Fire Station 9, constructed in 1974. The station occupies about 0.6 of an acre. The project includes replacement construction of a 10,000 square foot two-story station on the current site. The project includes all demolition, placement of a temporary fire station, planning, design, and new station construction. The station will house two companies.

Project Status: Project is anticipated to commence in FY 2017/18. Project delivery is anticipated to be Design-Build.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Planning, demolition, temporary fire station and construction	-	\$6,500,000	-	-	-	\$6,500,000
Total	-	\$6,500,000	-	-	-	\$6,500,000

Impact on Operating Budget: Replacement Fire Station 9 (Mission Viejo) will alleviate current significant overcrowding and improve the operational readiness of the station.

RFOTC BUILDING B EMERGENCY COMMUNICATION CENTER (ECC) **INSTALLATION OF OBSERVATIONS WINDOWS**

Project Priority: C

Project Type: Tenant Improvement

Project Management: Property Management

Project Description: This project would install four 4' X 5' rated, observation windows in hallway adjacent to the Emergency Communication Control Center and Server Room. The windows will support public tours of the facility while preserving necessary security for the working communication floor and servers. Public tours are conducted during annual RFOTC Open House and other time when special visits are organized. Windows would separate visitors from the working floor. Window blinds would protect the working area from observation when appropriate.

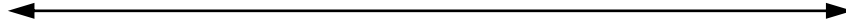
Project Status: The project is anticipated to commence in FY 2018/19, and is pending funding.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Construction and tenant improvement	-	-	\$110,000	-	-	\$110,000
Total	-	-	\$110,000	-	-	\$110,000

Impact on Operating Budget: Installation of windows will preserve security in a sensitive working environment while providing the capability for public visitation and observation when appropriate.

Fund 124

Communications & Information Systems



This fund is used for the replacement of specialized fire communications equipment and information systems. Its primary funding sources are the operating transfers from the General Fund and the use of reserves.

800 MHZ COUNTYWIDE-COORDINATED COMMUNICATIONS (CCCS) **SYSTEM REPLACEMENT**

Project Priority: A

Project Type: Equipment Replacement

Project Management: IT – Communications & Infrastructure/ECC

Project Description: The current 800 MHz Countywide-Coordinated Communications System (CCCS) was implemented from 1999 to 2001 with an expected operational life expectancy through 2015. The system is administered by the Orange County Sheriffs' Department/Communications staff. OCSD/Communications staff was directed in 2009 to develop the next generation system proposal, and has developed a four-phase upgrade/replacement plan for the CCCS. The upgrade includes implementation of a P25 system architecture, which is the FEMA and Department of Homeland Security recommended technology for public safety communications interoperability.



Phase – 1 \$2,797,153 – funded by the Public Safety Interoperable Communications (PSIC) grant, was completed by OCSD/Communications staff in 2011.

Phases – 2, 3, 4 includes replacing core equipment, control equipment, base station, mobile, and portable radios, and dispatch consoles, with P25 capable, encrypted 800MHz radios. Partnership costs will be shared proportionately among all participating agencies in the CCCS, but individual agencies will be responsible for purchasing radios and dispatch consoles. All partnership costs for this project are paid out of the General Fund 121 and not from Fund 124.

OCFA Fund 124 costs for encrypted, P25 capable 800MHz radio equipment for FY 2016/17 is estimated at \$7,540,000 which will purchase 1,508 new portable, mobile, and base station 800MHz radios. These numbers are based on the December 2015 audit of active 800MHz radios.

OCFA Fund 124 estimated costs of \$3,539,250 are budgeted for FY 2018/19 when OCFA will upgrade all 18 Dispatcher console positions.

Project Status: Phase - 1 complete; Phases 2 - 4 in implementation stage now.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Special Department Expense	\$7,540,000	-	\$3,539,250	-	-	\$11,079,250
Total	\$7,540,000	-	\$3,539,250	-	-	\$11,079,250

Impact on Operating Budget: Annual subscriber costs for new CCCS have not yet been determined. OCSD/Communications currently determines annual subscriber fees based on total number of active radios times an annual subscription fee per radio.

COMMUNITY RISK REDUCTION AUTOMATION – IFP REPLACEMENT

Project Priority: A

Project Type: Application Replacement

Project Management: IT – Systems Development & Support

Project Description: This project is to fund the initial purchase and supplemental or ‘surge’ professional services necessary to replace the Integrated Fire Prevention (IFP) application. This project combined with replacing the Incident Reporting Application (OCFIRS) comprises the Records Management System (RMS) component of the overall Public Safety Systems (PSS) replacement project. CAD replacement was the other major component of the PSS replacement project. Implementation is expected to take two to three years and includes integration with the new CAD system. ‘Surge’ expense is expected to be approximately 20% of system purchase price spread across the implementation period.

The Integrated Fire Prevention (IFP) application has been scheduled for replacement following a detailed needs assessment and business plan analysis that was conducted in FY 2005/06. The current application was also evaluated based on the quality of its technology and how well the application was meeting business needs; the application scored poorly in both areas. It was recommended that the OCFA proceed with replacement of the application; however, concurrent replacement with the Orange County Fire Incident Reporting System (OCFIRS) and the Computer Aided Dispatch (CAD) System was recommended in order to take advantage of opportunities to move to a shared data platform. Preliminary analysis indicates the replacement cost for this application will be between \$2.0 million and \$3.0 million. Community Risk Reduction fees include funding for this project.

Project Status: Contract negotiations with Flexible Data Management Software (FDM) were abandoned in 2014 after the core team decided that FDM would not be able to meet the needs of the OCFA. Staff is re-evaluating the RFP and has separated some functions like Training and Electronic Plan Review into separate projects while the core RMS RFP selection continues. Majority of funds for the core RMS will be re-budgeted across 3 years as staff continues developing the replacement strategy for OCFIRS and IFP and expects to phase-in the components.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i> Equipment, Software, Professional Services	\$905,117	\$905,117	\$905,117	-	-	\$2,715,351
Total	\$905,117	\$905,117	\$905,117	-	-	\$2,715,351

Impact on Operating Budget: Application Maintenance/License Costs will be included in the annual budget for the OCFA’s Microsoft Enterprise Agreement license, and should not exceed the current annual maintenance costs of approximately \$48,000.

INCIDENT REPORTING APPLICATION REPLACEMENT

Project Priority: A

Project Type: Application Replacement

Project Management: IT – Systems Development & Support

Project Description: This project is to fund the initial purchase and supplemental or ‘surge’ professional services necessary to replace the Incident Reporting Application (OCFIRS). This project combined with replacing the Integrated Fire Prevention (IFP) application comprises the Records Management System (RMS) component of the overall Public Safety Systems (PSS) replacement project. CAD replacement was the other major component of the PSS replacement project. Implementation is expected to take two to three years and includes integration with the new CAD system. ‘Surge’ expense is expected to be approximately 20% of system purchase price spread across the implementation period.

The IT Strategic Plan study conducted by Gartner Inc. evaluated all of the OCFA’s applications based on their technical stability and how well they were meeting the OCFA’s business needs. The OCFIRS Incident Reporting application was rated poorly in both areas and was recommended for replacement. Gartner Inc. also recommended that the OCFA consider going to bid for an application that would be integrated with CAD, IFP, or both to improve overall data management within the organization. This budgetary amount is a preliminary estimate and may need revision as requirements are developed.

Project Status: Contract negotiations with Flexible Data Management Software (FDM) were abandoned in 2014 after the core team decided that FDM would not be able to meet the needs of OCFA. Staff is re-evaluating the RFP and has separated some functions like Training and Electronic Plan Review into separate projects while the core RMS RFP selection continues. Majority of funds for the core RMS will be re-budgeted from FY 2015/16 to FY 2016/17 as staff continues developing the replacement strategy for OCFIRS and IFP.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i> Equipment, Software, Professional Services	\$400,000	\$400,000	-	-	-	\$800,000
Total	\$400,000	\$400,000	-	-	-	\$800,000

Impact on Operating Budget: Application Maintenance/License Costs will be included in the annual budget for the OCFA’s Microsoft Enterprise Agreement license, and should not exceed the current annual maintenance costs of approximately \$73,000.

AUDIO VIDEO EQUIPMENT UPGRADES

Project Priority: B

Project Type: Equipment Replacement

Project Management: IT – Communications and Workplace Support

Project Description: This item is to upgrade and replace the Audio Video equipment used in the RFOTC Board Room, classrooms (3), training rooms (2), and Emergency Command Center.

The current Audio Video equipment including sound mixing boards, microphones, projectors, computers, controllers, lighting, and cabling has been in constant use since 2004. These rooms are used heavily and the multi-media equipment supporting training and presentations is outdated, no longer supported, failing and needs to be replaced.



The project was originally planned to be completed in two phases over a two-year period. The first phase was originally planned to occur in FY 2014/15 for the RFOTC Board Room and Classroom 1 but due to limited resources was pushed to FY 2015/16.

On September 15, 2015, a contract was awarded for professional Audio Visual (AV) design and consulting services to develop a scope of work for the upgrade to the OCFA Boardroom, five classrooms, and the Emergency Command Center (ECC) at the RFOTC. Replacement of equipment and upgrades is expected to start in the Boardroom in July 2016, with the classrooms and ECC upgrades to follow.

Project Status: Project completion scheduled for FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	\$300,000	-	-	-	-	\$300,000
Total	\$300,000	-	-	-	-	\$300,000

Impact on Operating Budget: Ongoing annual maintenance costs are included in the General Fund.

NEXT GENERATION CAD2CAD

Project Priority: B

Project Type: Application Replacement

Project Management: IT – Systems Development & Support

Project Description: This item is to upgrade the existing regional CAD2CAD system.

The OCFA maintains a regional CAD2CAD system that integrates all of the County Fire dispatch centers including OCFA, MetroNet, Costa Mesa, Laguna Beach, and the EMS agencies. It functions as an intelligent ‘hub’ that connects the Fire dispatch centers, translates business rules, processes dispatch requests, mutual aid, status updates, Automatic Vehicle Location (AVL), and tracks every unit and incident between all of the Fire and EMS CAD systems.

The CAD2CAD has been operational since 2011 and was built on the Regional AVL system that was installed in 2008. It has reached the end of its generation of technology and needs to be updated to the next generation of technology that will support features like multi-threading, direct connection of AVL with each of the CAD systems, and increase the speed of processing transactions.

The ongoing maintenance of the CAD system is cost-shared proportionately with the other dispatch centers in the county. This proposal will pay to upgrade the CAD2CAD system and pay for OCFA’s costs to integrate the OCFA TriTech CAD system to the new CAD2CAD ‘hub’. Partner agencies will pay their own CAD integration costs if needed.

Project Status: The project will be implemented in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	\$450,000	-	-	-	-	\$450,000
Total	\$450,000	-	-	-	-	\$450,000

Impact on Operating Budget: Application Maintenance/License Costs are expected to be 20% - 25% of the new software costs, or \$90,000 annually.

MOBILE 911 EMERGENCY COMMAND CENTER

Project Priority: B

Project Type: Equipment Replacement

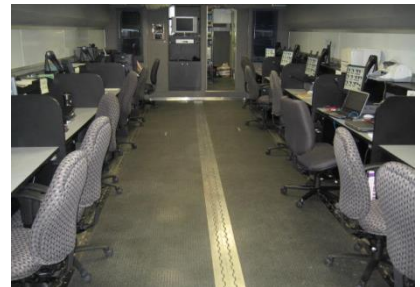
Project Management: IT – Communications & IT Infrastructure

Project Description: This project will fund a new Mobile Emergency Command Center (ECC) trailer and tractor to be used for 9-1-1 dispatching in emergency situations when the OCFA's ECC is unavailable.

The Current OCFA Logistics and Communications Trailer (LCT) can be used for manual 9-1-1 dispatching and was put in service in 2003. It requires a physical computer cable connection to the ECC 'B' building at the RFOTC campus to enable it to receive 9-1-1 phone calls. Emergency responses are dispatched via radio. The trailer must be in close proximity (< 50 feet) to the ECC 'B' building to connect to the 9-1-1 phone system. The LCT does not have true emergency dispatch capabilities as it requires a physical connection to the RFOTC Data Center, nor can dispatchers use the OCFA Computer Assisted Dispatch (CAD) system that is used in the OCFA ECC.



The new Mobile ECC trailer and tractor will have fully operational versions of the OCFA CAD and VESTA 9-1-1 Phone Systems for up to 8 dispatcher console positions. It will also have diverse connection capabilities including hard lines, wireless, microwave, satellite, 800MHz and VHF radio communications. In a natural disaster event where the RFOTC facilities are unusable, the new Mobile ECC Trailer can be moved to a parking lot or other open area to continue emergency 9-1-1 dispatch services.



The budgetary amount is a preliminary estimate and may need revision as requirements are developed. The life of the new Mobile ECC trailer and tractor is expected to be 15 years.

Project Status: Purchase anticipated to occur in FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	-	\$2,000,000	-	-	-	\$2,000,000
Total	-	\$2,000,000	-	-	-	\$2,000,000

Impact on Operating Budget: Annual maintenance is likely to be minimal since the Mobile ECC trailer and tractor will be used only in emergency situations and semi-annual training drills.

FLEET SERVICES FUEL MANAGEMENT TRACKING SYSTEM

Project Priority: B

Project Type: Application Replacement

Project Management: IT – Systems Development & Support

Project Description: This item is to add Fuel Module functionality to the Fleet Management system.

The current Fleet Management system has the capability to track fuel usage of all OCFA vehicles and all OCFA fuel dispensing locations. It requires adding an additional software module to the Fleet system as well as additional hardware to the fuel ‘islands’ and tracking devices on each OCFA vehicle. Professional services for installation and testing are included in the budget.

The implementation of this module to the Fleet application for the Fleet Services Section will improve accountability for consumable assets, pump control, card lockout, less shrinkage of inventory, and overall fuel consumption savings.

Project Status: Project completion originally scheduled for FY 2016/17 has been pushed back to FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	-	\$601,394	-	-	-	\$601,394
Total	-	\$601,394	-	-	-	\$601,394

Impact on Operating Budget: Application Maintenance/License Costs are expected to be 20% - 25% of the new software costs, or \$60,000 annually which is included in our Five-Year Financial Forecast beginning in FY 2018/19.

RFOTC DATA CENTER FIRE SUPPRESSION SYSTEM

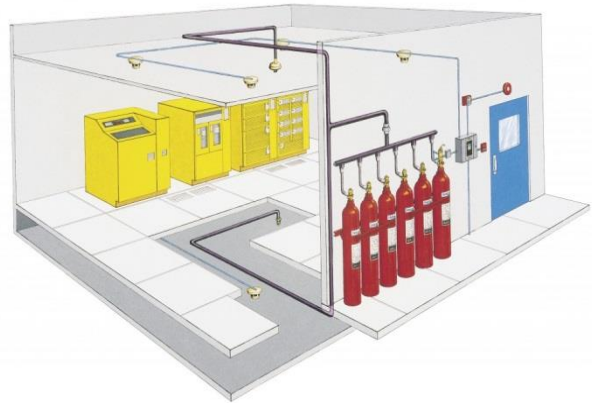
Project Priority: B

Project Type: Equipment Replacement/New Technology

Project Management: IT – IT/Communications Infrastructure

Project Description: This item is to modify and upgrade the RFOTC Data Center fire suppression system with a ‘clean agent’ suppressant capability.

The current RFOTC Data Center fire suppression system uses a pre-action water sprinkler system. While this is the standard for structure protection, if there were a discharge of water into the Data Center, it could result in a catastrophic loss of computers, telephone, and radio systems, and other key equipment.



This project proposes to augment the current fire suppression system with a ‘clean agent’ fire suppressant that works by removing heat from the fire. It also leaves little residue if there is a discharge of the system, and can prevent a fire from becoming serious enough that the water sprinklers would activate. With both systems in use, protection of the OCFA’s critical data and computer, telephone, and radio systems is significantly enhanced.

The budgetary amount is a preliminary estimate and may need revision as requirements are developed.

Project Status: Project is scheduled to commence in FY 2019/20.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	-	-	-	\$1,000,000	-	\$1,000,000
Total	-	-	-	\$1,000,000	-	\$1,000,000

Impact on Operating Budget: Unknown at this time. As the project is developed, ongoing support costs for the ‘clean agent’ system will be determined.

OCFA DISASTER RECOVERY CO-LOCATION FACILITY

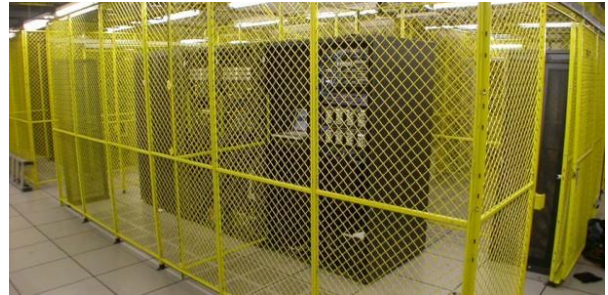
Project Priority: B

Project Type: New Technology

Project Management: IT – IT/Communications Infrastructure

Project Description: This item is to develop a Disaster Recovery (DR) co-location facility to store and replicate critical OCFA business and public safety systems data in order to maintain continuity of operations in an extended emergency scenario.

The OCFA currently backs up and maintains multiple versions of critical business, financial, and public safety systems data and stores it offsite with 3rd party vendors that specialize in secure data storage. The data storage can be recalled to restore to OCFA systems as needed. What the OCFA does not have is a ‘mirror’ location where critical business, financial, and public safety systems and data are replicated in a secure, dynamic, live environment, available 24/7 and which can be utilized in the case of a major event where the OCFA data center was offline for an extended period of time, or destroyed.



Disaster Recovery facilities must be secure and have redundant power and high-speed data connections. A DR facility may be a leased space within a dedicated facility located in another city/county/state. It may also be an appropriate OCFA facility, or a part of one that is secure and located away from the RFOTC facilities, or it could be a secure co-location facility shared with other Public Service Answering Points (PSAPs).

The budgetary amount is a preliminary estimate and may need revision as requirements are developed.

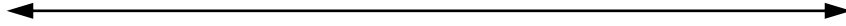
Project Status: Project is scheduled to occur in FY 2020/21.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Equipment	-	-	-	-	\$1,000,000	\$1,000,000
Total	-	-	-	-	\$1,000,000	\$1,000,000

Impact on Operating Budget: Unknown at this time. It is likely that there will be substantial additional software licensing, data lines, and facilities fees to replicate key OCFA systems.

Fund 133

Fire Apparatus



This fund is used for the planned replacement of fire apparatus and vehicles. Funding sources for this fund include operating transfers from the General Fund, contributions from cash contract member cities, and proceeds from lease purchase agreements.

ORANGE COUNTY FIRE AUTHORITY
FUND 133 - FIRE APPARATUS
LIST OF VEHICLES TO BE REPLACED

Existing Vehicle Number	Current Vehicle Type	Dept/Section Assigned to:	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year Total
EMERGENCY VEHICLES								
Air Utility								
5255	Air Utility	Operations	-	-	\$483,084	-	-	\$483,084
Ambulance								
4035	Ambulance	Operations	148,513	-	-	-	-	148,513
TBD	Ambulance	Operations	-	-	157,559	-	-	157,559
Battalion Chief Command								
2255	BC Command Vehicle	Operations	92,882	-	-	-	-	92,882
2256	BC Command Vehicle	Operations	92,882	-	-	-	-	92,882
2257	BC Command Vehicle	Operations	92,882	-	-	-	-	92,882
Crew Cab Dozer Tender								
TBD	Crew Cab Dozer Tender	Operations	87,600	-	-	-	-	87,600
3036	Crew Cab Dozer Tender	Operations	-	-	81,886	-	-	81,886
3037	Crew Cab Dozer Tender	Operations	-	-	81,886	-	-	81,886
Crew Carrying Vehicle								
5402	Crew Carrying Vehicle	Operations	258,336	-	-	-	-	258,336
Dozer Transport Tractor								
5064	Dozer Transport Tractor	Operations	201,188	-	-	-	-	201,188
FTR3	Dozer Transport Tractor	Operations	-	100,000	-	-	-	100,000
5063	Dozer Transport Tractor	Operations	-	-	206,209	-	-	206,209
Engine - Type 1								
5207	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5156	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5205	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5206	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5217	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5249	Engine - Type 1	Operations	593,466	-	-	-	-	593,466
5157	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5209	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5210	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5214	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5247	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5246	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5213	Engine - Type 1	Operations	-	611,270	-	-	-	611,270
5241	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5211	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5229	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5240	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5224	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5204	Engine - Type 1	Operations	-	-	629,608	-	-	629,608
5218	Engine - Type 1	Operations	-	-	-	648,496	-	648,496
5220	Engine - Type 1	Operations	-	-	-	648,496	-	648,496
5221	Engine - Type 1	Operations	-	-	-	648,496	-	648,496

ORANGE COUNTY FIRE AUTHORITY
FUND 133 - FIRE APPARATUS
LIST OF VEHICLES TO BE REPLACED

Existing Vehicle Number	Current Vehicle Type	Dept/Section Assigned to:	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year Total
5223	Engine - Type 1	Operations	-	-	-	648,496	-	648,496
5225	Engine - Type 1	Operations	-	-	-	648,496	-	648,496
5228	Engine - Type 1	Operations	-	-	-	648,496	-	648,496
5200	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
5227	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
5209	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
5216	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
5219	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
5213	Engine - Type 1	Operations	-	-	-	-	667,950	667,950
Full-Size 4-Door								
2370	Full-Size 4-Door	Operations	-	47,740	-	-	-	47,740
2374	Full-Size 4-Door	Operations	-	57,004	-	-	-	57,004
Grader								
7208	Grader	Operations	-	-	275,209	-	-	275,209
Hook-Truck/Dump Truck								
5387	Hook Truck/Dump Truck	Operations	145,000	-	-	-	-	145,000
Mid-Size 4-Door								
2371	Mid-Size 4-Door	Operations	-	42,923	-	-	-	42,923
2372	Mid-Size 4-Door	Operations	-	42,923	-	-	-	42,923
Mid-Size 4x4 4-Door								
2158	Mid-Size 4x4 4-Door	Operations	43,733	-	-	-	-	43,733
2163	Mid-Size 4x4 4-Door	Operations	43,733	-	-	-	-	43,733
2165	Mid-Size 4x4 4-Door	Operations	43,733	-	-	-	-	43,733
2166	Mid-Size 4x4 4-Door	Operations	43,733	-	-	-	-	43,733
Paramedic Squad								
4105	Paramedic Squad	Operations	215,000	-	-	-	-	215,000
4106	Paramedic Squad	Operations	215,000	-	-	-	-	215,000
4107	Paramedic Squad	Operations	215,000	-	-	-	-	215,000
Pick-Up Utility 3/4 Ton								
3201	Pick-Up Utility 3/4 Ton	Operations	-	45,680	-	-	-	45,680
3202	Pick-Up Utility 3/4 Ton	Operations	-	45,680	-	-	-	45,680
3206	Pick-Up Utility 3/4 Ton	Operations	-	45,680	-	-	-	45,680
3207	Pick-Up Utility 3/4 Ton	Operations	-	45,680	-	-	-	45,680
3336	Pick-Up Utility 3/4 Ton	Operations	-	-	47,050	-	-	47,050
3337	Pick-Up Utility 3/4 Ton	Operations	-	-	47,050	-	-	47,050
3338	Pick-Up Utility 3/4 Ton	Operations	-	-	47,050	-	-	47,050
3340	Pick-Up Utility 3/4 Ton	Operations	-	-	47,050	-	-	47,050
3341	Pick-Up Utility 3/4 Ton	Operations	-	-	47,050	-	-	47,050
TDA 100' Quint								
5235	TDA 100' Quint	Operations	1,378,919	-	-	-	-	1,378,919
5252	TDA 100' Quint	Operations	-	-	-	1,506,782	-	1,506,782
Total Emergency Vehicles			6,878,930	4,752,200	5,298,731	5,397,758	4,007,700	26,335,319

ORANGE COUNTY FIRE AUTHORITY
FUND 133 - FIRE APPARATUS
LIST OF VEHICLES TO BE REPLACED

Existing Vehicle Number	Current Vehicle Type	Dept/Section Assigned to:	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year Total
DEVELOPER FUNDED VEHICLES								
Engine - Type1								
Station 1	Engine - Type 1	Operations	-	-	751,496	-	-	751,496
Paramedic Squad								
Station 1	Paramedic Squad	Operations	-	-	265,081	-	-	265,081
TDA 100' Quint								
Station 1	TDA 100' Quint	Operations	-	-	-	1,774,683	-	1,774,683
Total Developer Funded Vehicles			-	-	1,016,577	1,774,683	-	2,791,260
SUPPORT VEHICLES								
Full-Size Cargo Van								
4335	Full-Size cargo van	CAPA/Comm Educ.	44,176	-	-	-	-	44,176
4337	Full-Size cargo van	IT/Comm Wk Supp	44,176	-	-	-	-	44,176
4338	Full-Size cargo van	IT/Comm Infrastr.	44,176	-	-	-	-	44,176
4339	Full-Size cargo van	IT/Comm Wk Supp	44,176	-	-	-	-	44,176
Mid-Size Pickup - 1/2 Ton								
2171	Mid-Size Pickup - 1/2 Ton	CRR	33,042	-	-	-	-	33,042
2173	Mid-Size Pickup - 1/2 Ton	CRR	33,042	-	-	-	-	33,042
2263	Mid-Size Pickup - 1/2 Ton	CRR	-	33,042	-	-	-	33,042
2301	Mid-Size Pickup - 1/2 Ton	CRR	-	33,042	-	-	-	33,042
2302	Mid-Size Pickup - 1/2 Ton	CRR	-	33,042	-	-	-	33,042
2303	Mid-Size Pickup - 1/2 Ton	CRR	-	33,042	-	-	-	33,042
2304	Mid-Size Pickup - 1/2 Ton	CRR	-	-	34,033	-	-	34,033
2317	Mid-Size Pickup - 1/2 Ton	CRR	-	-	34,033	-	-	34,033
2318	Mid-Size Pickup - 1/2 Ton	Property Mgt.	-	-	34,033	-	-	34,033
2319	Mid-Size Pickup - 1/2 Ton	CRR	-	-	34,033	-	-	34,033
2341	Mid-Size Pickup - 1/2 Ton	CAPA/Comm Educ.	-	-	-	35,053	-	35,053
3111	Mid-Size Pickup - 1/2 Ton	CAPA/Comm Educ.	-	-	-	-	36,104	36,104
4102	Mid-Size Pickup - 1/2 Ton	CAPA/Comm Educ.	-	-	-	-	36,104	36,104
Pickup General 3/4 Ton								
3465	Pickup General - 3/4 Ton	Fleet Services	44,797	-	-	-	-	44,797
3466	Pickup General - 3/4 Ton	Fleet Services	44,797	-	-	-	-	44,797
3467	Pickup General - 3/4 Ton	Service Center	44,797	-	-	-	-	44,797
TBD	Pickup General - 3/4 Ton	Property Mgt.	-	46,140	-	-	-	46,140
TBD	Pickup General - 3/4 Ton	Property Mgt.	-	46,140	-	-	-	46,140
Service Truck - Heavy								
5389	Service Truck - Heavy	Fleet Services	-	90,000	-	-	-	90,000

ORANGE COUNTY FIRE AUTHORITY
FUND 133 - FIRE APPARATUS
LIST OF VEHICLES TO BE REPLACED

Existing Vehicle Number	Current Vehicle Type	Dept/Section Assigned to:	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year Total
Service Truck - Light								
3007	Service Truck - Light	IT/Comm Wk Supp	60,349	-	-	-	-	60,349
Total Support Vehicles			437,528	314,448	136,132	35,053	72,208	995,369
TOTAL VEHICLES			\$7,316,458	\$5,066,648	\$6,451,440	\$7,207,494	\$4,079,908	\$30,121,948

ORANGE COUNTY FIRE AUTHORITY
FUND 133 - FIRE APPARATUS
LIST OF VEHICLES TO BE DEFERRED

Vehicle Number	Current Vehicle Type	Dept/Section Assigned to:	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Year Total
EMERGENCY VEHICLES								
Air Utility								
5415	Air Utility	Operations	-	-	-	\$497,576	-	\$497,576
Mid-Size 4x4 4-Door								
2157	Mid-Size 4X4 4-Door	Operations	-	45,045	-	-	-	45,045
Crew Cab- Swift Water Vehicle								
3008	Crew Cab - Swift Water Vehicle	Operations	-	76,956	-	-	-	76,956
3041	Crew Cab - Swift Water Vehicle	Operations	-	76,956	-	-	-	76,956
3043	Crew Cab - Swift Water Vehicle	Operations	-	76,956	-	-	-	76,956
3044	Crew Cab - Swift Water Vehicle	Operations	-	76,956	-	-	-	76,956
Dozer Transport Trailer								
6146	Trailer-Dozer Transport	Operations	-	-	61,784	-	-	61,784
Pickup Utility - 3/4 Ton								
3204	Pickup Utility - 3/4 Ton	Operations	-	-	44,567	-	-	44,567
3205	Pickup Utility - 3/4 Ton	Operations	-	-	44,567	-	-	44,567
Type 3 Engine								
New	Type 3 Engine	Operations	-	464,348	-	-	-	464,348
New	Type 3 Engine	Operations	-	464,348	-	-	-	464,348
New	Type 3 Engine	Operations	-	464,348	-	-	-	464,348
Total Emergency Vehicles			-	1,745,913	150,918	497,576	-	2,394,407
SUPPORT VEHICLES								
Fuel Tender								
5313	Fuel Tender	Fleet Services	-	221,070	-	-	-	221,070
Mid Size 4x4 4-Door								
2267	Mid Size 4x4 4-Door	Service Center	-	38,853	-	-	-	38,853
3101	Mid Size 4x4 4-Door	CRR	-	38,853	-	-	-	38,853
Mid Size Pickup - 1/2 Ton								
2261	Mid Pickup-1/2 Ton	CRR	-	33,042	-	-	-	33,042
2262	Mid Pickup-1/2 Ton	CRR	-	33,042	-	-	-	33,042
3009	Mid Pickup-1/2 Ton	CRR	-	33,042	-	-	-	33,042
3110	Mid Pickup-1/2 Ton	CRR	-	33,042	-	-	-	33,042
3230	Mid Pickup-1/2 Ton	CRR	-	33,042	-	-	-	33,042
Stakeside								
5388	Stakeside	Service Center	-	-	-	91,469	-	91,469
Total Support Vehicles			-	463,986	-	91,469	-	555,455
TOTAL DEFERRED VEHICLES								
			-	\$2,209,899	\$150,918	\$589,045	-	\$2,949,862

AIR UTILITY VEHICLE

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The air utility vehicle brings to the fire scene a cache of self-contained breathing apparatus, air cylinders and provides on-scene lighting. This apparatus has a built-in compressor that can fill the self-contained breathing apparatus cylinders at the emergency scene. This project is for the replacement of one air utility vehicle with one new air utility vehicle in FY 2018/19.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for air utility vehicles are 15 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	-	-	\$483,084	-	-	\$483,084
Total	-	-	\$483,084	-	-	\$483,084



Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

AMBULANCE

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The ambulances are used to transport injured or sick persons to the closest receiving hospital. This project is for the replacement of one ambulance in FY 2016/17 and another in FY 2018/19.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for ambulances are four years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2016/17 and FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$148,513	-	\$157,559	-	-	\$306,072
Total	\$148,513	-	\$157,559	-	-	\$306,072

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.



BATTALION CHIEF (BC) COMMAND VEHICLES

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: Each of the nine battalions is assigned a command vehicle. Approximately forty percent of the vehicle cost is for equipment which includes cell phones, Mobile Data Computers (MDCs), and a slide-out working station to manage any large incident. This project is for the replacement of three command vehicles in FY 2016/17.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for BC command vehicles are five years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$278,646	-	-	-	-	\$278,646
Total	\$278,646	-	-	-	-	\$278,646

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

CREW CAB DOZER TENDER

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: Crew cab dozer tenders have a multitude of uses for the Crews and Equipment Section. The primary use is to support, fuel, oil, and carry repair materials needed for the department's bull dozers, graders and other miscellaneous off-road equipment. These units are also sent out of the county to support the section on large campaign fires. Approximately thirty percent of the cost of this vehicle is for equipment. This project is for the addition of one crew cab dozer tender with a skid-mounted pump and water tank in FY 2016/17 and the replacement of two crew cab dozer tenders in FY 2018/19.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for service trucks are 10 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17 and FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles	\$87,600	-	\$163,772	-	-	\$251,372
Total	\$87,600	-	\$163,772	-	-	\$251,372

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

CREW CARRYING VEHICLES

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: Crew carrying vehicles carry 13 passengers and are used to transport fire crews to brush fires. Fire crews can perform fire line construction. This project is for the replacement of one crew carrying vehicle with one new crew carrying vehicle in FY 2016/17.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager



The age and mileage targets for crew carrying vehicles are 10 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	\$258,336	-	-	-	-	\$258,336
Total	\$258,336	-	-	-	-	\$258,336

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

DOZER TRANSPORT TRACTOR

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The dozer transport tractor is designed for hauling heavy equipment, specifically bull dozers. This project is for the replacement of one dozer transport tractor with one new dozer transport tractor in FY 2016/17, replacement of one dozer transport tractor with one *used* dozer transport in FY 2017/18, and replacement of one dozer transport tractor with one new dozer transport tractor in FY 2018/19.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for dozer transport tractors are 15 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17, FY 2017/18 and FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$201,188	\$100,000	\$206,209	-	-	\$507,397
Total	\$201,188	\$100,000	\$206,209	-	-	\$507,397

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.



ENGINE – TYPE 1

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The Type 1 engine carries hose, water, and a pump used primarily for structure fires. Most fire stations contain one or more of these units. This project is for the replacement of 31 Type 1 engines as follows: six in FY 2016/17, seven in FY 2017/18, six in FY 2018/19, six in FY 2019/20 and six in FY 2020/21.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for Type 1 engines are 15 years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur annually.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$3,560,796	\$4,278,890	\$3,777,648	\$3,890,976	\$4,007,700	\$19,516,010
Total	\$3,560,796	\$4,278,890	\$3,777,648	\$3,890,976	\$4,007,700	\$19,516,010

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.



FULL-SIZE 4-DOOR VEHICLES

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The full-size 4-door vehicle is used by all staff Battalion Chiefs and Division Chiefs. These vehicles are frequently used in Battalion Command situations similar to BC Command Vehicles. This project is for the replacement of two full-size 4-door vehicles scheduled in FY 2017/18.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for full-size 4-door vehicles are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5- Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	-	\$104,744	-	-	-	\$104,744
Total	-	\$104,744	-	-	-	\$104,744

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.



GRADER

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The Grader also known as a motor grader is utilized to create and maintain rural roads throughout the unincorporated areas of Orange County and the Cleveland National Forest; the grader is also utilized to assist in Pre-Fire Management operations. Purchase will be in FY 2018/19.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The projection for the replacement of this vehicle is based on age. The age target for compact track loaders is 20 years. However, the service and repair costs will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	-	-	\$275,209	-	-	\$275,209
Total	-	-	\$275,209	-	-	\$275,209

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

HOOK TRUCK/DUMP TRUCK

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The hook truck concept has a variety of applications i.e., dump truck, flat bed, or brush chipper container. This chassis can be used for different sections as needed eliminating vehicles from sitting stagnate for long periods of time. Purchase will be in FY 2016/17.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager



The projection for the replacement of this vehicle is based on age. The age target for compact track loaders is 20 years. However, the service and repair costs will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$145,000	-	-	-	-	\$145,000
Total	\$145,000	-	-	-	-	\$145,000

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

MID-SIZE 4-DOOR VEHICLES

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The mid-size 4-door vehicles are used by investigations staff in a variety of investigations positions that need the versatility of a 4-door vehicle to complete their specific assignments and support the operations of their specific sections. This project is for the replacement of two mid-size 4-door vehicles with two new mid-size 4-door vehicles in FY 2017/18.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for mid-size 4-door vehicles are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	-	\$85,846	-	-	-	\$85,846
Total	-	\$85,846	-	-	-	\$85,846

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.



MID-SIZE 4x4 4-DOOR VEHICLES

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The mid-size 4x4 4-door vehicles are used by staff in the Operations Department who needs the versatility of a 4x4 to complete their specific assignments (e.g. safety officers). This project is for the replacement of four units in FY 2016/17.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager



The age and mileage targets for mid-size 4x4 4-door vehicles are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Emergency)	\$174,932	-	-	-	-	\$174,932
Total	\$174,932	-	-	-	-	\$174,932

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

PARAMEDIC SQUAD

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

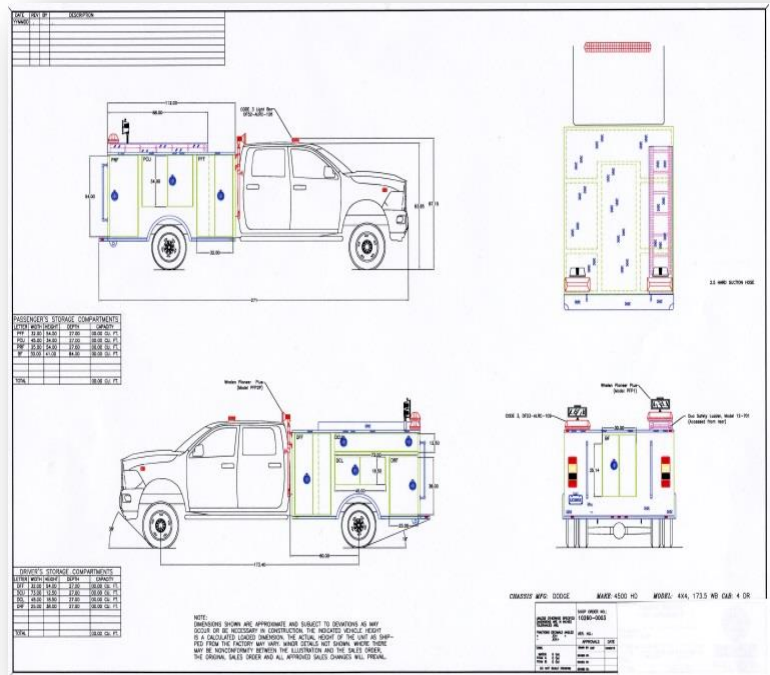
Project Description: The paramedic van platform will be changing from a van to a pickup truck with a utility body. This platform change will increase storage capability while reducing vehicle cost. This unit carries a full complement of paramedic equipment. This project is for the replacement of three paramedic vans with three paramedic squads in FY 2016/17.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for paramedic squads are five years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17.



Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	\$645,000	-	-	-	-	\$645,000
Total	\$645,000	-	-	-	-	\$645,000

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

PICKUP UTILITY-3/4 TON VEHICLES

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The pickup utility-3/4 ton units are located at each one of the nine battalions in the department. These vehicles are used for a variety of miscellaneous transportation needs. The units are also used as BC Command vehicles on occasion. This project is for the replacement of nine pickup utility-3/4 ton vehicles with four new pickup utility-3/4 ton vehicles in FY 2017/18 and five in FY 2018/19.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for pickup utility-3/4 ton vehicles are eight years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2017/18 and FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	-	\$182,720	\$235,250	-	-	\$417,970
Total	-	\$182,720	\$235,250	-	-	\$417,970

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

TRACTOR-DRAWN AERIAL (TDA) 100' QUINT

Project Priority: A

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The TDA apparatus is used to provide search and rescue, roof ventilation, elevated water streams, salvage, overhaul operations and carry all the applicable tools needed for these tasks. This apparatus also has a 100' aerial ladder, 300-gallon water tank, and a fire pump similar to a fire engine. This project is for the replacement of one TDA 100' quint, one shall be replaced in FY 2016/17 and one shall be replaced in FY 2019/20.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for TDA 100' quints are 17 years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17 and FY 2019/20.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	\$1,378,919	-	-	\$1,506,782	-	\$2,885,701
Total	\$1,378,919	-	-	\$1,506,782	-	\$2,885,701

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

ENGINE-TYPE 1 / DEVELOPER FUNDED

Project Priority: A

Project Type: New Vehicle

Project Management: Fleet Services Manager

Project Description: The Type 1 engine carries hose, water, and a pump used primarily for structure fires. Most fire stations contain one or more of these units. This apparatus is the same as our replacement Type I engines; however, this apparatus is funded by a local developer including hose and other equipment. This project is for the purchase of one Type 1 engine in FY 2018/19 for station 67 (Rancho Mission Viejo).

Project Status: Purchase to occur in FY 2018/19.



Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr Total
Project Cost						
Vehicles (Emergency)	-	-	\$751,496	-	-	\$751,496
Total	-	-	\$751,496	-	-	\$751,496

Impact on Operating Budget: The addition of a Type 1 engine to the vehicle fleet is considered a significant, non-recurring expenditure, which will increase annual service and maintenance costs in the operating budget by approximately \$3,500 per year during the two-year warranty period. After the warranty period, the annual service and maintenance costs are expected to increase to approximately \$7,000 per year. These costs are include in the Five-Year Financial Forecast.

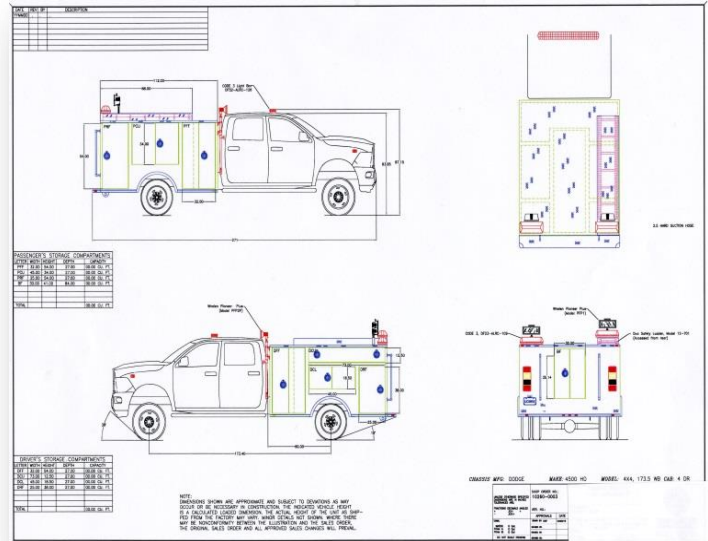
PARAMEDIC SQUAD / DEVELOPER FUNDED

Project Priority: A

Project Type: New Vehicle

Project Management: Fleet Services Manager

Project Description: The paramedic van platform will be changing from a van to a pickup truck with a utility body. This platform change will increase storage capability while reducing vehicle cost. This unit carries a full complement of paramedic equipment. This project is for the addition of one paramedic squad that will be funded by a local developer including all the advanced life support equipment (ALS) needed for the unit to go into service. Purchase of this one paramedic squad will be made in FY 2018/19 for fire station 67 (Rancho Mission Viejo).



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for paramedic squads are five years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2018/19.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	-	-	\$265,081	-	-	\$265,081
Total	-	-	\$265,081	-	-	\$265,081

Impact on Operating Budget: The addition of a paramedic squad is considered a significant, non-recurring expenditure, which will increase annual service and maintenance costs in the operating budget by approximately \$1,500 per year during the three-year warranty period. After the warranty period, the annual service and maintenance costs are expected to increase to approximately \$2,500 per year. These costs are included in the Five-Year Financial Forecast.

TRACTOR-DRAWN AERIAL (TDA) 100' QUINT / DEVELOPER FUNDED

Project Priority: A

Project Type: New Vehicle

Project Management: Fleet Services Manager

Project Description: The TDA apparatus is used to provide search and rescue, roof ventilation, elevated water streams, salvage, overhaul operations and carry all the applicable tools needed for these tasks. This apparatus also has a 100' aerial ladder, 300-gallon water tank, and a fire pump similar to a fire engine. This apparatus, including hose and other equipment is funded by local developers. This project is for the addition of one new TDA 100' quint for FY 2019/20 for station 67 (Rancho Mission Viejo).



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for TDA 100' quints are 17 years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2019/20.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Emergency)	-	-	-	\$1,774,683	-	\$1,774,683
Total	-	-	-	\$1,774,683	-	\$1,774,683

Impact on Operating Budget: The addition of a TDA Quint to the vehicle fleet is considered a significant, non-recurring expenditure, which will increase annual service and maintenance costs in the operating budget by approximately \$5,000 per year during the two-year warranty period. After the warranty period, the costs are expected to increase to approximately \$9,000 per year. These costs are included in the Five-Year Financial Forecast.

FULL-SIZE CARGO VANS

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: These vehicles are used in a number of OCFA's sections such as Information Systems. Depending on the vehicle's application, it can be used for transportation and storage of components specific to each section's needs (i.e., computer components, miscellaneous tools to facilitate repairs or haul specific equipment). This project is for the replacement of four full-size cargo vans with four new full-size cargo vans in FY 2016/17.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for full-size cargo vans are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Support)	\$176,704	-	-	-	-	\$176,704
Total	\$176,704	-	-	-	-	\$176,704

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces maintenance costs in the operating budget.

MID-SIZE PICKUP-1/2 TON VEHICLES

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: These vehicles are primarily used by the Fire Prevention Department to conduct off-site inspections. This project is for the replacement of thirteen mid-size pickup-1/2 ton vehicles, two in FY 2016/17, four in FY 2017/18, four in FY 2018/19, one in FY 2019/20, and two in FY 2020/21.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for mid-size pickup-1/2 ton vehicles are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in each fiscal year between FY 2016/17 through FY 2020/21.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Support)	\$66,084	\$132,168	\$136,132	\$35,053	\$72,208	\$441,645
Total	\$66,084	\$132,168	\$136,132	\$35,053	\$72,208	\$441,645

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.



PICKUP GENERAL-3/4 TON VEHICLES

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: These units are utilized by sections that need adequate cargo space. This project is for the replacement of five pickup general-3/4 ton vehicles, replacing three vehicles in FY 2016/17 and two vehicles in FY 2017/18.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager



The age and mileage targets for pickup general-3/4 ton vehicles are seven years and/or 120,000 miles. The projections for the replacement of these vehicles are based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchases to occur in FY 2016/17 (these three were deferred from FY 2014/15) and FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
Project Cost						
Vehicles (Support)	\$134,391	\$92,280	-	-	-	\$226,671
Total	\$134,391	\$92,280	-	-	-	\$226,671

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

SERVICE TRUCK – HEAVY

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: The service truck – heavy vehicles carries large quantities of oil and a welder, providing the ability to service vehicles at fire stations or on large fires. This project is for the replacement of one service truck – heavy vehicle in FY 2017/18.

Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for service truck – heavy vehicles are 18 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2017/18.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Support)	-	\$90,000	-	-	-	\$90,000
Total	-	\$90,000	-	-	-	\$90,000

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.



SERVICE TRUCK - LIGHT

Project Priority: B

Project Type: Vehicle Replacement

Project Management: Fleet Services Manager

Project Description: Service trucks – light vehicles are used for field service throughout the department for both heavy and light apparatus in the fleet for fleet services and communication services. These units are also sent out of county if technicians are requested on large campaign fires. This project is for the replacement of one service truck - light vehicle in FY 2016/17.



Vehicle replacement evaluation is based on the following criteria:

- Actual miles of the vehicles
- Actual years of operation compared to expected years
- Evaluation of mechanical condition by the Fleet Services Manager
- Evaluation of the maintenance costs by the Fleet Services Manager

The age and mileage targets for service truck - light vehicles are 10 years and/or 120,000 miles. The projection for the replacement of this vehicle is based on age. However, mileage will be reviewed before a purchase is made, and the purchase may be deferred if warranted.

Project Status: Purchase to occur in FY 2016/17.

Description	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-Yr. Total
<i>Project Cost</i>						
Vehicles (Support)	\$60,349	-	-	-	-	\$60,349
Total	\$60,349	-	-	-	-	\$60,349

Impact on Operating Budget: The replacement of older vehicles with high mileage reduces downtime and maintenance costs in the operating budget.

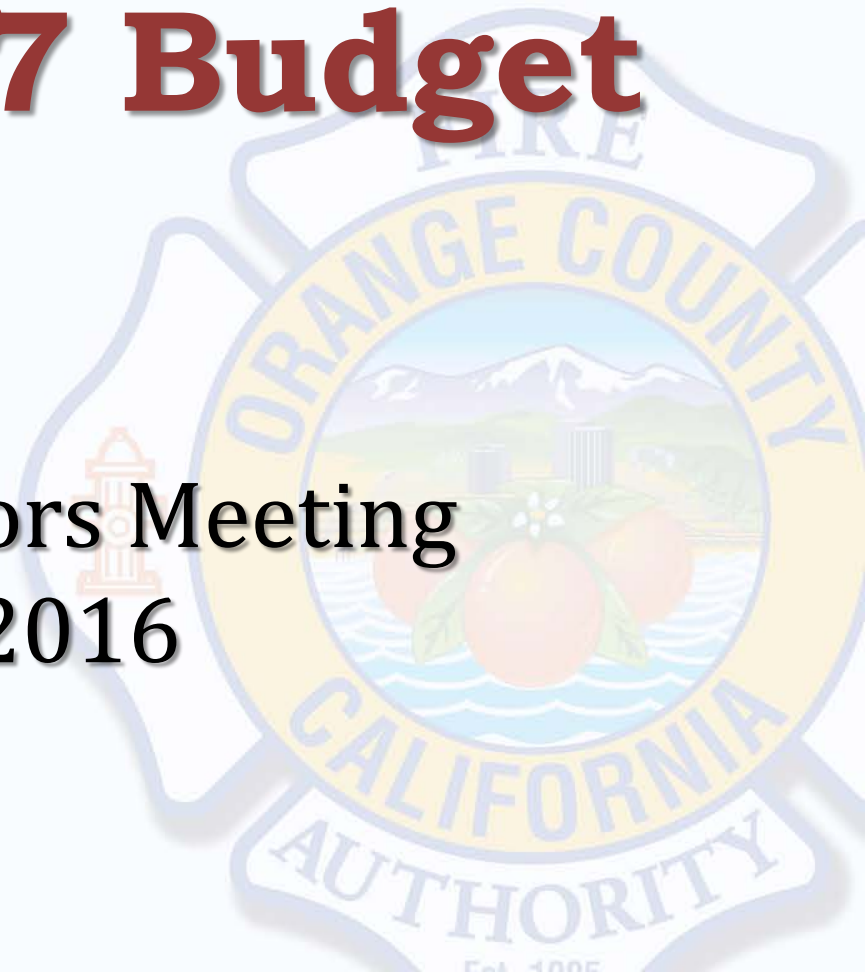
CIP Ad Hoc Committee Recommendations

The CIP Ad Hoc Committee met on April 13, 2016, and unanimously recommended that the Proposed 5-Year CIP be forwarded to the Budget and Finance committee and Board of Directors for approval. The Committee also provided the following recommendations:

1. Evaluate the feasibility of negotiating with the City of Yorba Linda and their Developer to consider having the replacement Fire Station 10 “developer-built” (private industry) rather than constructed as an OCFA project (government/public works) to potentially enable construction at a lower cost.
2. Track all costs for outfitting and maintaining vehicles to confirm the value associated with standardizing our fleet.
3. Remain aware of concerns regarding the proposed in-house-build of an Electronic Plan Review system using the Microsoft Platform. Ensure that a plan is in place to deal with changing Microsoft upgrades. Highlight the cost savings from avoidance of annual licensing/maintenance costs by proceeding with an in-house-build vs. COTS solutions.
4. Add a graphical chart to the CIP budget book and budget presentation to demonstrate how each CIP Fund Balance is projected to accumulate or deplete based on projecting funding inflows and CIP project outflows.

Proposed FY 2016/17 Budget

**Board of Directors Meeting
May 26, 2016**



Items for Review

- **Proposed FY 2016/17 General Fund Budget**
- **Proposed 5-Year Capital Improvement Program**
- **Updated 5-Year Financial Forecast**



**Proposed
FY 2016/17
General Fund Budget**

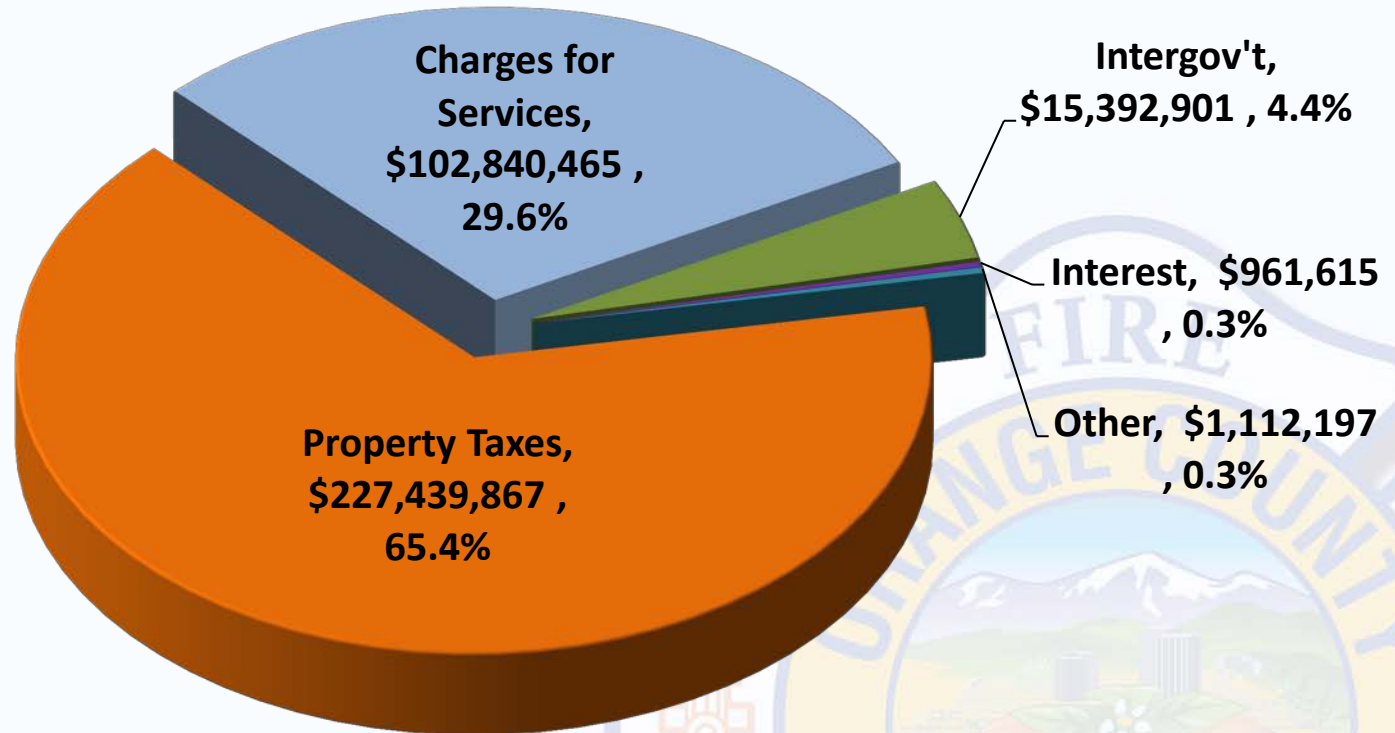


General Fund Overview

- Base **revenues** are projected at \$347.7 million, a 4.41% increase over FY 2015/16
- Base **expenditures** are projected at \$319.5 million, a 1.58% increase
- Total expenditures, w/voluntary UAAL paydown, are \$323.1 million

Overall, revenues exceed expenditures by \$24.4 million, providing funds for capital needs and reserve requirements

General Fund Revenue



Revenue Increases = Total \$14.7 million

- Secured Property Tax growth = 6.61%, \$13.3 million
- Cash Contract growth = 1.74%, \$1.6 million (Charges for Current Svcs)

General Fund Revenue

Property Tax Projections

- Secured property taxes are projected to grow as follows:

– 2016/17	4.57%
– 2017/18	4.17%
– 2018/19	3.67%
– 2019/20	3.27%
– 2020/21	2.61%

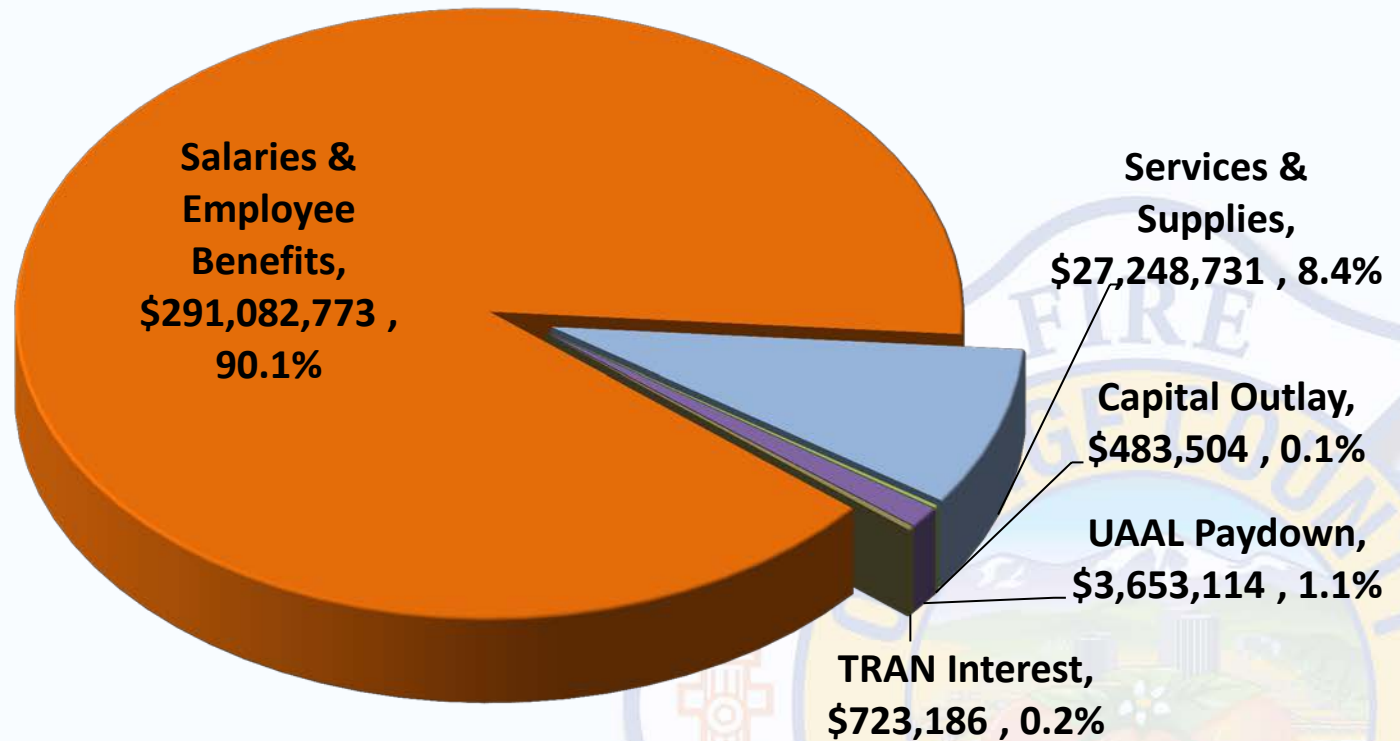
*Average growth rate of 3.7%
for the next five years*

- For comparison, the past 5 years growth has been:

– 2011/12	0.76%
– 2012/13	1.59%
– 2013/14	3.43%
– 2014/15	7.31%
– 2015/16	7.01%

*Average growth rate of 4.02%
for the last five years*

General Fund Expenditures



Expenditure Increases = Total \$5.8M

- Salary & Employee benefits increase = 1.30%, \$3.7 million
- Services & Supplies increase = 1.94%, \$518 thousand
- Accelerated Pension Paydown Plan = 30.37%, \$851 thousand

General Fund Expenditures

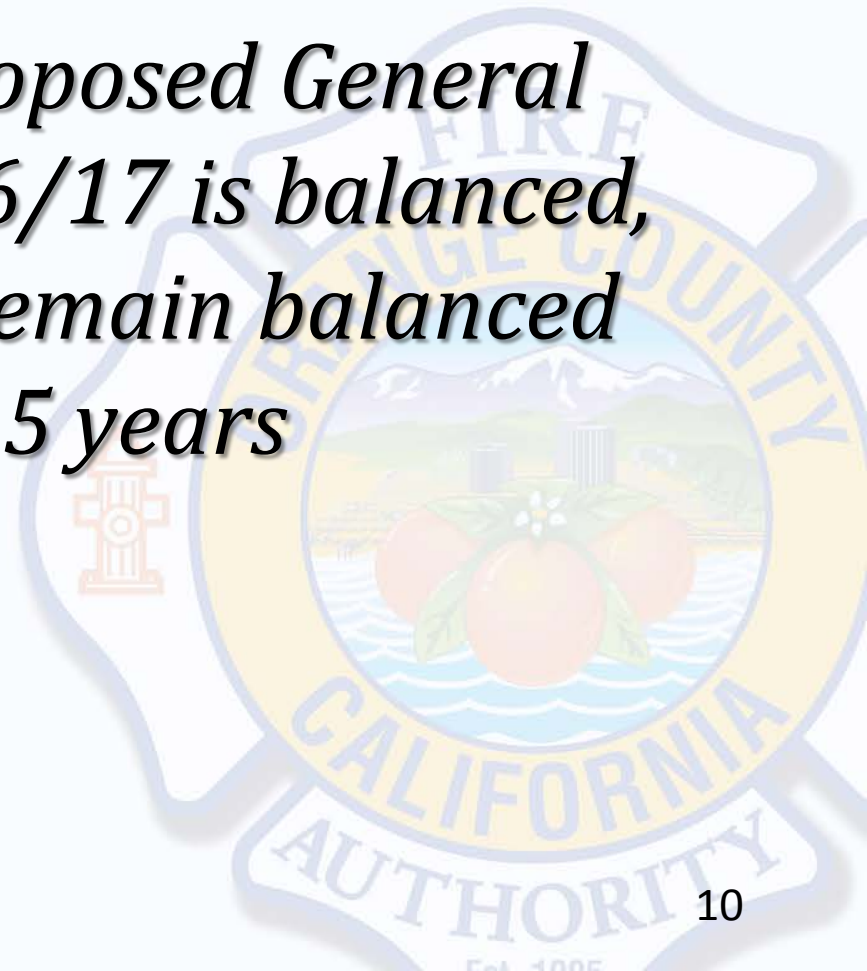
- Salary & benefits reflect MOU changes during 2016/17:
 - OCEA: 3% COLA in Mar. 2017 is offset by 3% increase to employees' retirement contribution, bringing this group to full payment of employee share
 - OCFAMA: 1.95% COLA in Jan. 2017 is offset by 2.25% increase to employees' retirement contribution, bringing this group to full payment of employee share
 - Exec Mgmt: No COLAs are included; however, this group also achieves full payment of employee share in March 2017
 - OCPFA & COA: No MOU changes are assumed, pending negotiations

General Fund Expenditures

- Salary and benefits are reduced by \$7.9M to account for vacant positions that are pending recruitment
- Budget includes the proposed request to reclassify and unfreeze 10 positions at a cost of \$1.8 million
 - 4 safety positions
 - 2 Fire Captains to serve as Divisional Administrative Captains and supplementing Public Information Officer services
 - 1 Battalion Chief for Air Operations
 - 1 Fire Captain for the Emergency Medical Services section
 - 6 non-safety positions
 - 2 Sr. IT Analysts; 1 Sr. HR Analyst; 1 Environmental Health & Safety Specialist; 1 Nurse Educator; 1 Sr. Fire Apparatus Technician

General Fund Summary

In summary, the proposed General Fund budget for 2016/17 is balanced, and is projected to remain balanced for the next 5 years

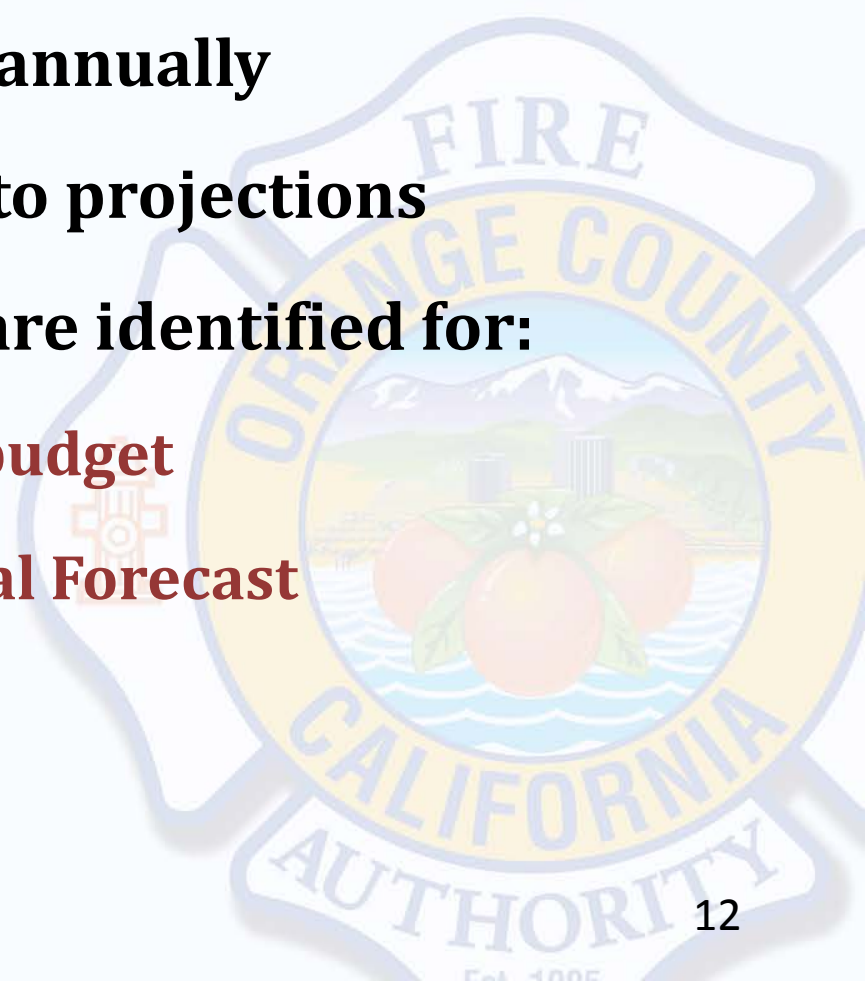


2016 - 2021 Proposed CIP Budget



CIP Planning Process

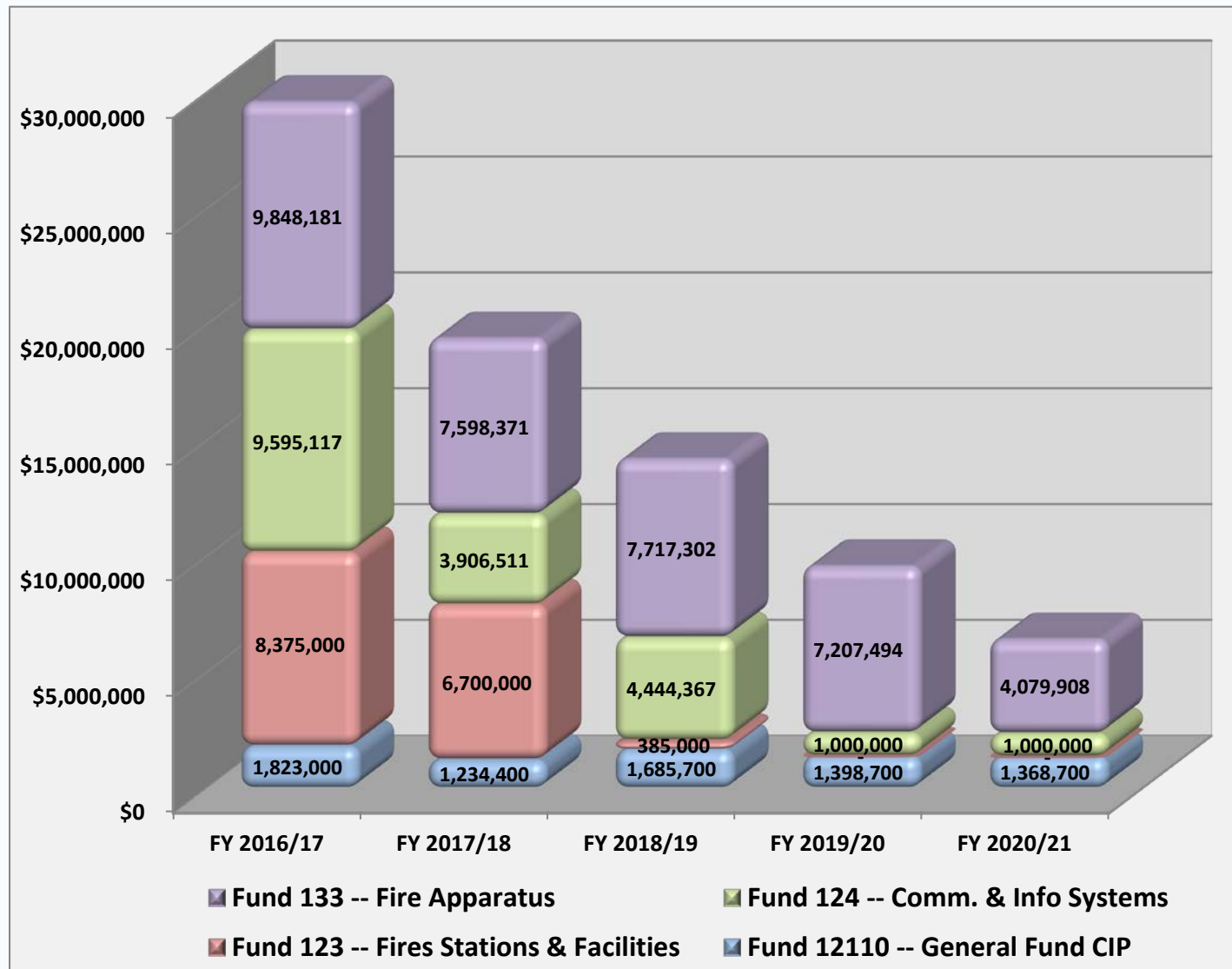
- All known CIP projects are identified for next 5 years
- Project plans are refreshed annually
- Price escalators are built into projections
- Associated operating costs are identified for:
 - Inclusion in General Fund budget
 - Inclusion in 5-Year Financial Forecast



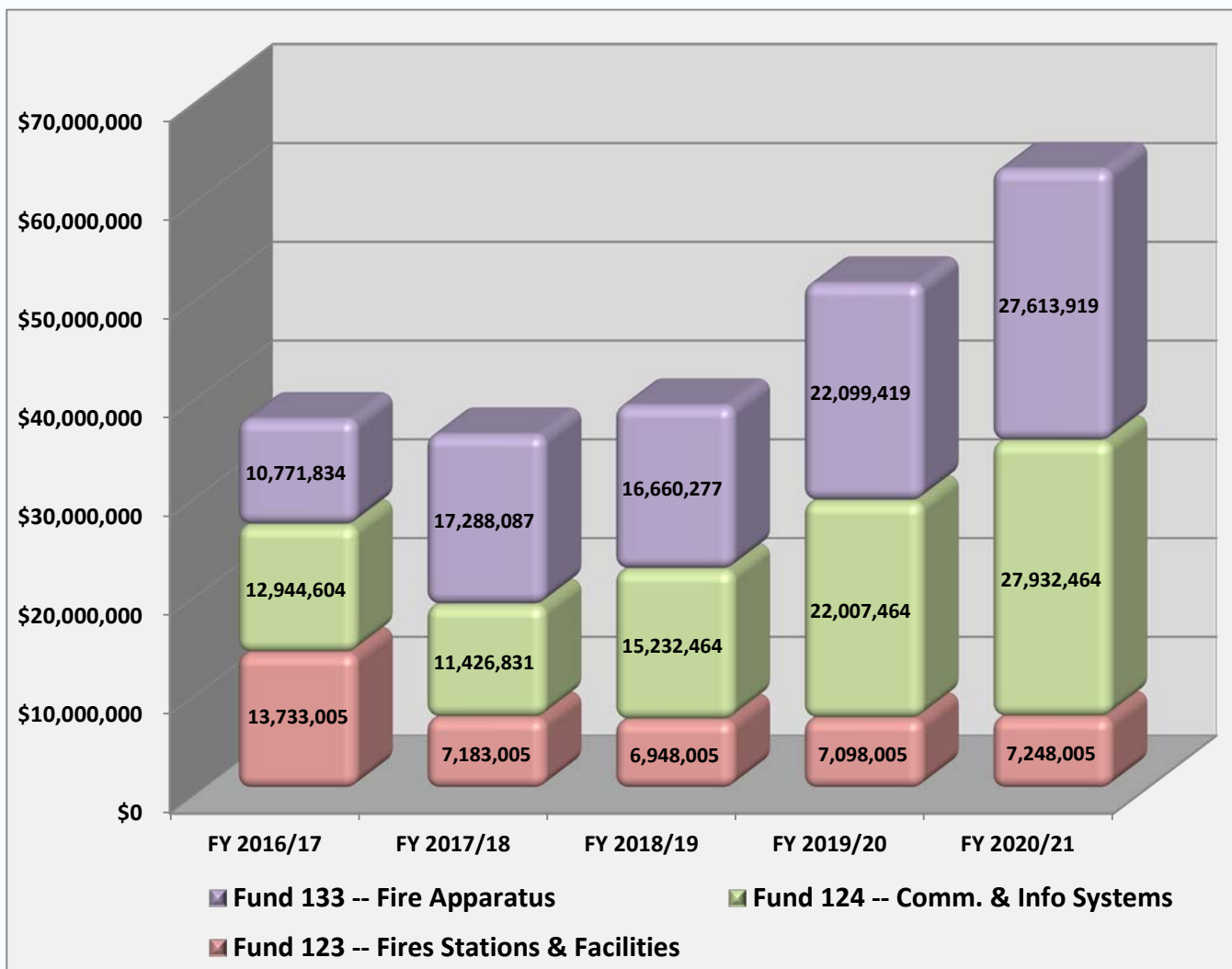
CIP Funding

- **CIP funding comes from:**
 - **Operating transfers from General Fund, when available**
 - **Interest earnings**
 - **Developer contributions**
 - **Cash contract payments for vehicle replacement and facility maintenance**
- **Funding goal is to accumulate and deplete CIP reserves in harmony with project needs**

5-Year CIP Overview



CIP Year-End Fund Balances*



*assumes GF Surplus transfers in future years from 2% cash flow scenario

Five-Year Financial Forecast



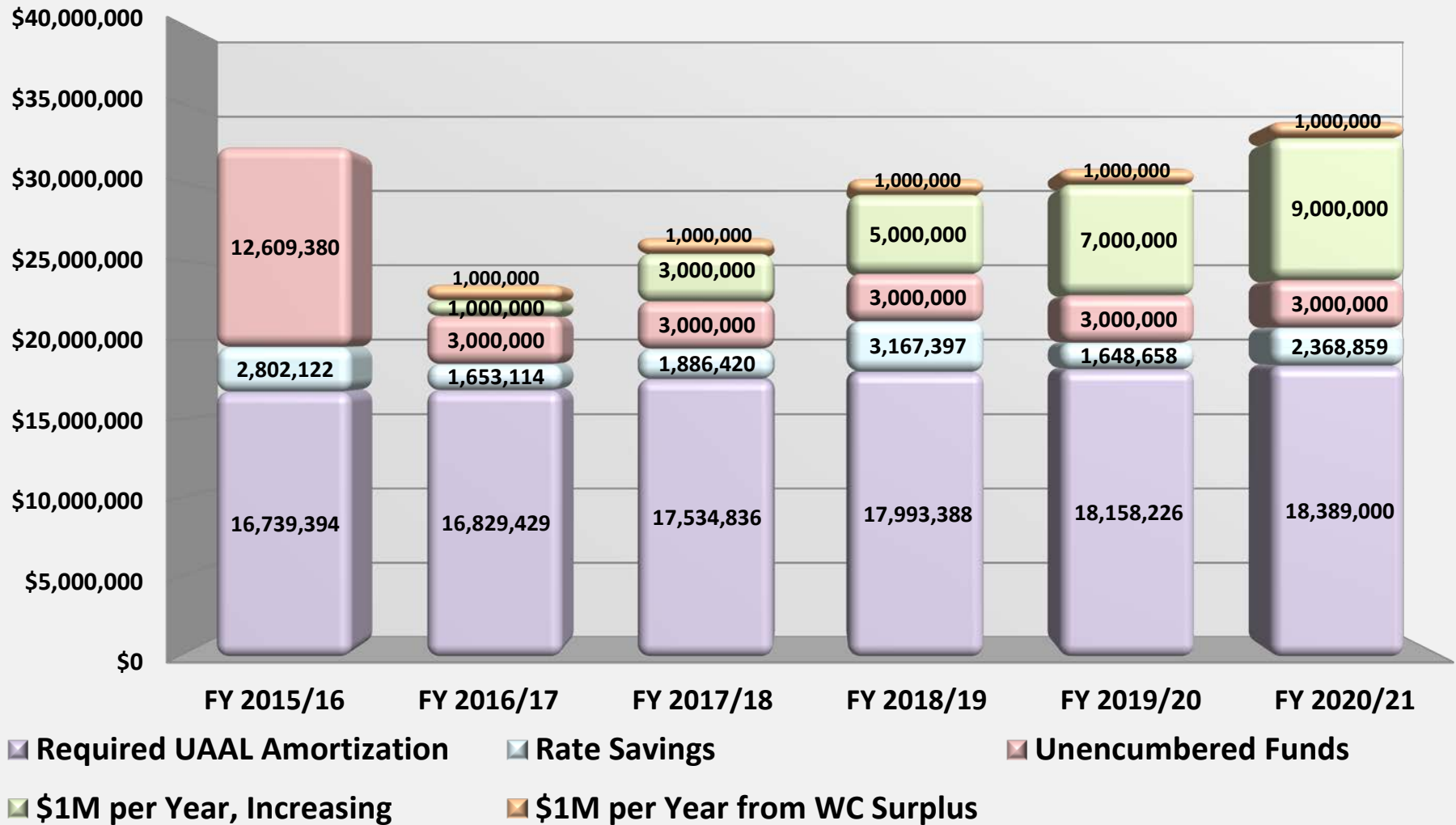
Five-Year Financial Forecast

	<i>Adjusted</i> FY 2015/16	<i>Year 1</i> FY 2016/17	<i>Year 2</i> FY 2017/18	<i>Year 3</i> FY 2018/19	<i>Year 4</i> FY 2019/20	<i>Year 5</i> FY 2020/21
Beginning Fund Balance	181,140,997	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285
General Fund Revenues	346,012,715	347,747,045	360,127,808	373,050,683	385,165,352	395,494,655
General Fund Expenditures	325,084,233	319,538,194	328,515,598	333,732,376	340,138,068	350,309,272
Paydown of UAAL	15,411,502	3,653,114	5,886,420	9,167,397	9,648,658	12,368,859
Total General Fund Expenditures	340,495,735	323,191,308	334,402,018	342,899,772	349,786,726	362,678,131
Net General Fund Revenue	5,516,980	24,555,737	25,725,790	30,150,911	35,378,626	32,816,524
Less Incremental Increase in 10% GF Op. Cont.	-	152,842	897,740	521,678	640,569	1,017,120
General Fund Surplus / (Deficit)	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
Operating Transfer to GF Cashflow	-	-	-	-	-	-
Operating Transfer to CIP Funds	5,516,980	24,402,894	24,828,049	29,629,233	34,738,057	31,799,404
Draws from GF Fund Balances	-	-	-	-	-	-
CIP/Other Revenues	24,640,080	38,627,623	40,594,542	46,712,833	52,991,708	49,269,091
CIP/Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
CIP Surplus / (Deficit)	(2,651,234)	1,492,306	13,073,191	23,835,601	34,200,594	33,061,768
Ending Fund Balance	178,489,764	180,134,912	194,105,844	218,463,122	253,304,285	287,383,174

Assumes 2% Annual Salary Increases

	<i>Adjusted</i> FY 2015/16	<i>Year 1</i> FY 2016/17	<i>Year 2</i> FY 2017/18	<i>Year 3</i> FY 2018/19	<i>Year 4</i> FY 2019/20	<i>Year 5</i> FY 2020/21
Beginning Fund Balance	181,140,997	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382
General Fund Revenues	346,012,715	347,747,045	360,150,350	373,104,761	385,229,095	395,561,594
General Fund Expenditures	325,084,233	323,760,084	337,378,909	347,969,706	355,288,121	366,625,313
Paydown of UAAL	15,411,502	3,653,114	5,886,420	9,167,397	9,648,658	12,368,859
Total General Fund Expenditures	340,495,735	327,413,199	343,265,329	357,137,102	364,936,778	378,994,173
Net General Fund Revenue	5,516,980	20,333,847	16,885,021	15,967,659	20,292,316	16,567,421
Less Incremental Increase in 10% GF Op. Cont.	-	575,031	1,361,882	1,059,080	731,842	1,133,719
General Fund Surplus / (Deficit)	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Operating Transfer to GF Cashflow	-	-	-	-	-	-
Operating Transfer to CIP Funds	5,516,980	19,758,815	15,523,138	14,908,579	19,560,475	15,433,702
Draws from GF Fund Balances	-	-	-	-	-	-
CIP/Other Revenues	24,640,080	33,983,544	31,139,725	31,635,952	37,211,577	32,040,850
CIP/Other Expenses	27,291,314	37,135,317	27,521,351	22,877,232	18,791,114	16,207,323
CIP Surplus / (Deficit)	(2,651,234)	(3,151,773)	3,618,374	8,758,720	18,420,463	15,833,527
Ending Fund Balance	178,489,764	175,913,022	180,893,278	190,711,077	209,863,382	226,830,628

Accelerated Pension Paydown Plan



Required payments through 20/21 = \$105.6M
 Accelerated payments through 20/21 = \$71.1M

Total payments = \$176.8M or 40.0% of OCFA's total UAAL

Multiple Budget Reviews

- Executive Management 3/24
- CIP Ad Hoc Committee Review 4/13 **
- CM Budget & Finance Committee 4/20 **
- Labor Groups (OCEA, OCFAMA, COA, OCPFA) 4/25
- OCFA Budget & Finance Committee 5/11 **
- OCFA Board of Directors 5/26

**** Recommendations from these Committees are included in staff report.**

Recommended Actions

1. Conduct public hearing
2. Adopt FY 2016/17 Proposed Budget
3. Adopt Resolution approving appropriations
4. Authorize interfund borrowing (in lieu of TRANs)
5. Authorize repayment of interfund borrowing
6. Authorize final FY 2015/16 budget adjustments



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Committee
May 26, 2016

Agenda Item No. 5A
Discussion Calendar

**Fiscal Year 2014/15 Backfill/Overtime and Calendar Year 2015
Total Earnings/Compensation Analysis**

Contact(s) for Further Information

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Summary

This annual agenda item is submitted to provide an overview and analysis of the Fiscal Year 2014/15 Backfill and Overtime earnings along with the employee total compensation for Calendar Year 2015.

Prior Board/Committee Action – Committee Recommendation: *APPROVE*

At its regular May 11, 2016, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

1. Direct staff to continue working towards an ability to fill permanent vacancies (exceeding those required by MOU) as quickly as possible after the positions become vacant.
2. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Backfill/overtime costs are included in the annual budget.

Background

See attached extended background.

Attachment(s)

1. Frequently asked Questions and Responses
2. PowerPoint Presentation - Fiscal Year 2014/15 Backfill/Overtime – Calendar Year 2015
Total Earnings/Compensation Analysis

Background

The OCFA's General Fund budget consists primarily of labor costs with approximately 89.4% of the final FY 2014/15 budget allocated to salaries and employee benefits. For 2014/15, final backfill/overtime expenditures were \$38,335,422 or 11.2% of the salaries and employee benefits budget. The primary factors driving OCFA's backfill/overtime costs are:

- OCFA's Constant Staffing Policy
- Major Emergency Incident Response
- Training Requirements

Backfill and overtime costs can either be non-discretionary or discretionary and are explained in the following paragraphs.

Constant Staffing Backfill / Overtime (Non-Discretionary)

The OCFA maintains constant staffing levels, which means that every day, all authorized Operations post-positions are staffed. Constant staffing enables delivery of emergency services 24-hours per day, 7-days per week. A post-position is a seat on a fire or EMS response unit (including engines, trucks, and paramedic vehicles) that must be filled to meet the staffing requirements of that unit.

- Backfill occurs when there is a vacancy in a position that requires constant staffing and another employee works overtime to fill the vacancy. Examples that cause backfill to occur include:
 - Positions temporarily vacant due to personnel on leave (sick, vacation, jury duty, military leave, bereavement, workers' compensation, etc.)
 - Positions vacant due to cost control measures (open positions per the MOU side agreement)
 - Positions vacant as a result of retirements, promotions, or the opening of a new station
 - Positions temporarily vacant due to personnel responding to major in/out of county emergency incidents
- Overtime is used for work done above and beyond the constant staffing requirements. Examples of overtime include strike team or overhead assignments or emergency incidents, either in or out of the County, and mandatory training classes that occur on a day other than the employee's regularly assigned shift.

Major Emergency Incident Response (Non-Discretionary)

Another form of non-discretionary overtime incurred by OCFA is for major emergency incident response. OCFA responds to emergency incidents at the request of surrounding fire agencies (Mutual Aid), California Department of Forestry (CAL FIRE), Cleveland National Forest Service (CNF), and the California Office of Emergency Services (OES). Backfill/overtime costs for responding to major emergency incidents in FY 2014/15 totaled \$3.3M and represented approximately 8% of total backfill/overtime expenditures. Approximately 95-100% of these emergency related incident response costs (except Mutual Aid) are reimbursable.

Backfill/overtime costs for constant staffing and major emergency incident response are considered non-discretionary and represent 92% of FY 2014/15 Backfill/Overtime costs.

Training Requirements (Discretionary & Non-Discretionary)

OCFA incurs additional backfill/overtime costs related to various training requirements for suppression personnel. Examples include mandatory training requirements for federal, state, and local programs including Urban Search and Rescue (US&R), Airport Rescue Firefighting (ARFF), Weapons of Mass Destruction (WMD), and Incident Command. Additionally, OCFA historically incurs overtime and backfill costs to provide training academies for new and/or promoted Dispatchers, Firefighters, Engineers, Captains, Battalion Chiefs, and Reserve Firefighters. Backfill/overtime costs as a result of training activities in FY 2014/15 totaled \$1.4M and represented 3.8% of the total backfill/overtime expenditures.

Discretionary Backfill/Overtime

For FY 2014/15, total discretionary backfill/overtime was \$1.5M or 4.1% and is attributable to the following:

- Employees staffing special events, participating on project teams, and Fire Explorer program activities
- Information systems, GIS, automotive, communications services, and fire prevention personnel requested to work outside their normal work schedule

Page two of the attached presentation illustrates the distribution of backfill/overtime by category (discretionary and non-discretionary) and the cause for the vacancy.

Regular vs. Overtime Analysis

As referenced on Page 3 of the attached presentation, backfill/overtime continues to be approximately 25-28% more cost effective than hiring a full time benefited employee. For FY 2014/15, the estimated cost savings to OCFA by using overtime rather than full time employees to fill vacancies was \$10,993,667 and is included as page four of the attachment.

Compensation Cost Transparency

In September 2012, the OCFA Board approved staff's response to the Grand Jury Report on Compensation Cost Transparency, including a commitment that annual employee compensation costs would be posted and readily available on the OCFA website. Prior to the Grand Jury Report, the State Controller's employee compensation data (which defines compensation differently than the Grand Jury requirement) was posted on the OCFA website.

The Grand Jury Total Compensation Report includes all earnings, segregated by base salary, overtime, payouts, special pay, and other. Additionally, employer-paid retirement and benefits are also included in the employee compensation report posted on the OCFA website. The Grand Jury Report was posted to the OCFA website on April 28, 2016. The State Controller Report was submitted to the State on April 28, 2016, in compliance with the April 30, 2016, due date. Previously, the report was not due to the State Controller until October of each year.

Backfill/Overtime Monitoring & Analysis

To help reduce the number of vacancies due to open positions, OCFA has conducted the following academies from July 1, 2015, through May 1, 2016:

- 2 Firefighter Academies
- 1 Fire Apparatus Engineer Academy
- 1 Fire Captain Academy
- 1 Battalion Chief Academy

The following academies are planned for future dates within the next twelve months:

- 1 Firefighter Academy
- 2 Fire Apparatus Engineer Academies
- 1 Fire Captain Academy
- 1 Battalion Chief Academy

OCFA financial staff prepares monthly reports to track and monitor backfill/overtime activity. Reports are provided internally to management to show expenditures by section and by cause (reason) so that they can monitor and, if required, adjust activities as needed in their respective area.

As discussed in this report, the majority of backfill/overtime incurred by OCFA is non-discretionary; however, a small portion of overtime is considered discretionary (4.1% of total backfill/overtime expenditures) and is monitored closely. Emergency response activity is generally reimbursable and an amendment to revenue is part of the mid-year budget adjustment presented to the Board of Directors for approval.

FY 2014/15 BACKFILL/OVERTIME ANALYSIS FREQUENTLY ASKED QUESTIONS**1. What is a firefighter's standard work schedule?**

Firefighters assigned to suppression positions work 24-hour shifts which equate to a 56-hour average work week or 2,912 hours per year. When firefighters are assigned to staff positions on a 40-hour work week, they average 2,080 regular hours per year.

2. What does "maintaining constant staffing levels" mean? What is the difference between backfill and overtime?

This means that every day, all authorized Operations post-positions are staffed. A post-position is a seat on a fire or EMS response unit (including engines, trucks and paramedic vans) that must be filled to meet the staffing requirement of that unit. Backfill occurs when there is a vacancy in a position that requires constant staffing and the employee either volunteers or is forced to work to fill the vacancy. Overtime is used for work done above and beyond the constant staffing requirements. Examples of overtime include strike team or overhead assignments to emergency incidents, either in or out of the County, and mandatory training classes that occur on other than the employee's regularly assigned shift.

3. Because our backfill/overtime budget is significant, does that mean we are understaffed?

OCFA's backfill/overtime budget is significant due to the reasons outlined in #2 above. Due to retirements and promotions, there are positions that have gone unfilled. In addition, a labor agreement includes provisions to hold 15 positions open for each rank in the firefighter labor group. For Calendar Year 2015, an average of 85 positions were filled which required constant staffing on an overtime/backfill basis. Recent and planned academies along with promotional exams are expected to significantly reduce the number of vacancies and open positions.

4. How many continuous hours may a firefighter work?

The maximum number of continuous hours (regular and backfill/overtime) an employee may work is 96. Employees enter their availability to work into the OCFA's Staffing System. The staffing system hires employees based upon the premise of an equal distribution of overtime and agreed upon hiring list procedures. The Assistant Chief of Operations may suspend the 96-hour rule to ensure sufficient incident response capability and adequate station coverage. Personnel assigned to out of county strike teams or to overhead positions are often deployed for periods of 14 days. When assigned to these extended incidents, employees work within established work/rest cycles.

5. Is the OCFA concerned about employee fatigue as the result of the continuous work hour rules?

The OCFA recognizes employee fatigue is a factor that impacts employee performance. Severe fatigue may increase the dangers inherent in the performance of emergency operations. The OCFA takes steps to protect employees from these dangers. The OCFA ensures that firefighters are trained, equipped and supervised to work as safely as possible. There is an additional emphasis on employee health and wellness provided through the WEFIT Program. Supervisors have the means by which to ensure employees are either adequately rested or relieved of duty where appropriate. Firefighters on extended incidents adhere to specified work/rest periods.



ORANGE COUNTY FIRE AUTHORITY

Fiscal Year 2014/15 Backfill/Overtime

Calendar Year 2015 Total Earnings/Compensation Analysis



Prepared by:
OCFA Finance Division
May 2016



2015 California Fire Map

July 14, 2015 – 13:45

Orange County Fire Authority



2015 California Fire Map

This map created by CAL FIRE provides general locations of major



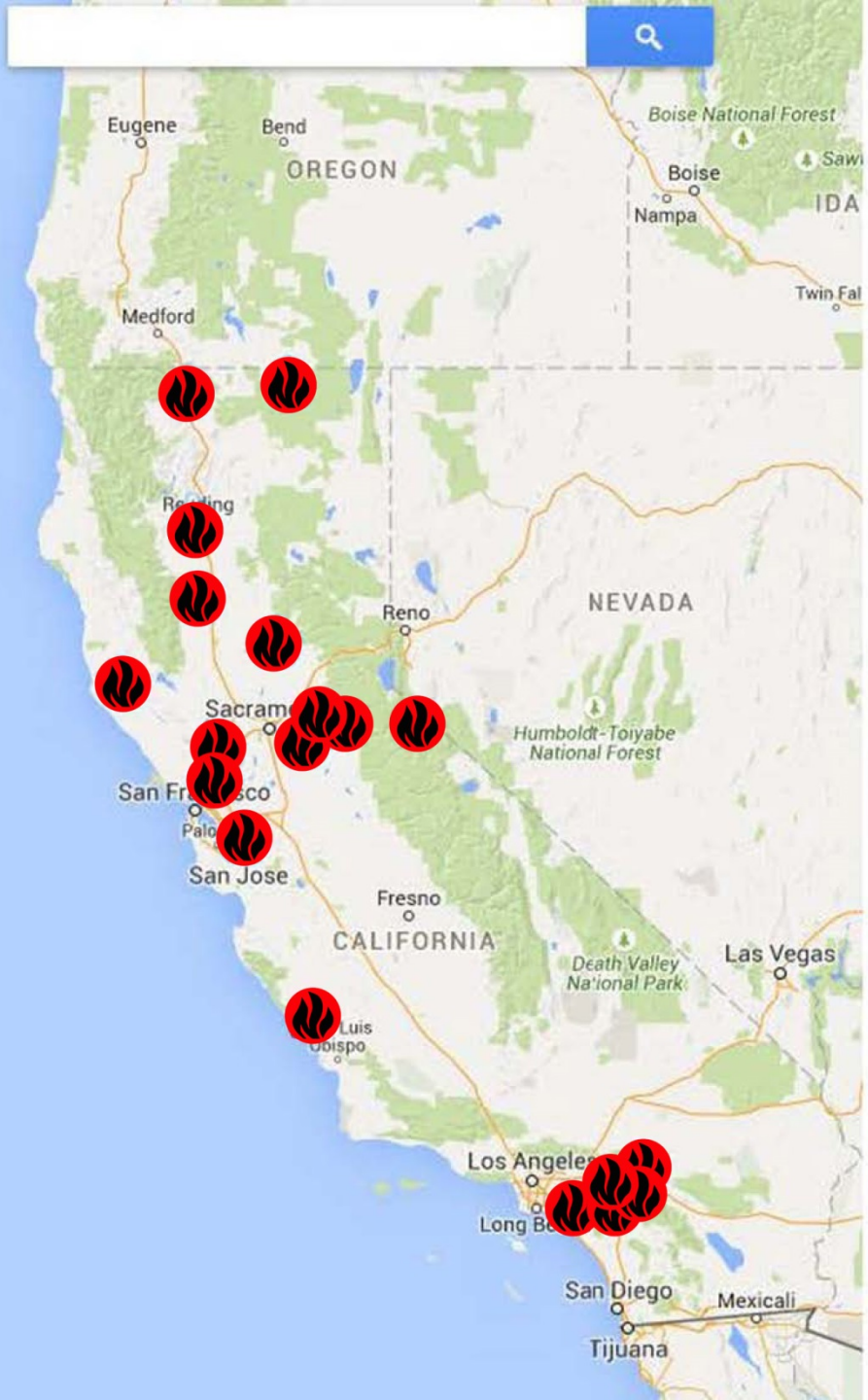
Made with Google My Maps

☒ Active Fires

- 241 Fire
- Deer Fire
- Deer Fire Perimeter
- Lake Fire
- Lake Fire Perimeter
- Washington Fire
- Washington Fire Perimeter
- Mill 2 Fire
- Mill 2 Fire Perimeter
- Cooley Fire
- Keswick Fire
- Sky Fire

☒ Contained Fires - July 2015

- Ascot Fire
- Spider Fire
- Mason Fire
- Soda Fire
- Webb Fire
- Ione Fire
- Ranch Fire
- Buckaroo Fire
- Geary Fire
- Black Fire



Backfill/Overtime FY Comparison

Categories of Backfill/Overtime	FY 2013/14	% of Total	FY 2014/15	% of Total	\$ Change
<u>Non-Discretionary Categories:</u>					
Vacation, Sick, W/C, Other Leave	15,005,289	38.3%	13,016,456	34.0%	(1,988,833)
Open Positions	15,526,658	39.6%	14,002,776	36.5%	(1,523,882)
Other Non-Discretionary	1,782,943	4.5%	337,790	0.9%	(1,445,153)
FLSA Rate Adjustment *			4,595,788	12.0%	4,595,788
Emergency * *	3,100,155	7.9%	3,327,879	8.7%	227,724
Total Non-Discretionary	35,415,045	90.3%	35,280,689	92.0%	(134,356)
Total Training	2,467,154	6.3%	1,473,672	3.8%	(993,482)
Total Discretionary	1,346,358	3.4%	1,581,061	4.1%	234,703
Fiscal Year Totals	39,228,557	100.0%	38,335,422	100.0%	(893,135)

* Prior to the recent Firefighter MOU, the FLSA rate adjustment was included in the various categories of Backfill/overtime.

** Emergency overtime is generally 95-100% reimbursable.

FY 2014/15 Regular vs. Overtime Analysis

Top Step Firefighter Hourly Rates Regular Full-Time-Equivalent vs. OT	Hourly Reg. FTE Rate	Hourly OT Rate	\$ Diff.	% Diff.
<u>Salaries:</u>				
Base Hourly Rate	28.41	28.41		
Other Pays (Holiday, Educ. Inc., EMT, FLSA)	4.92			
Total Salaries	33.33	28.41		
<u>Benefits:</u>				
Retirement	19.65			
Workers' Compensation	3.10	2.64		
Unemployment	0.01			
Health Insurance	6.91			
Medicare	0.48	0.62		
Total Benefits	30.15	3.26		
Total Overtime Premium		14.21		
Total Hourly Salaries & Benefits	\$63.48	\$45.88	\$17.61	27.73%

It is 27.73% more cost-effective to use OT for filling vacancies compared to hiring a regular full-time employee.

Regular vs. Overtime Analysis

FY 2014/15 Firefighter Unit Estimated Cost Savings

Classification	Actual Overtime Hours Worked FY 14/15	FTE Equivalent *	Estimated ** FTE Cost	Estimated ** Overtime Cost	Estimated ** Cost Saving by Utilizing Overtime/Backfill
Fire Captain	194,295	66.7	\$ 14,923,799	\$ 11,646,042	\$ 3,277,757
Engineer	202,608	69.6	\$ 13,548,397	\$ 10,373,530	\$ 3,174,867
Firefighter	304,768	104.7	\$ 18,456,750	\$ 13,915,707	\$ 4,541,043
		241.0	\$ 46,928,946	\$ 35,935,279	\$ 10,993,667

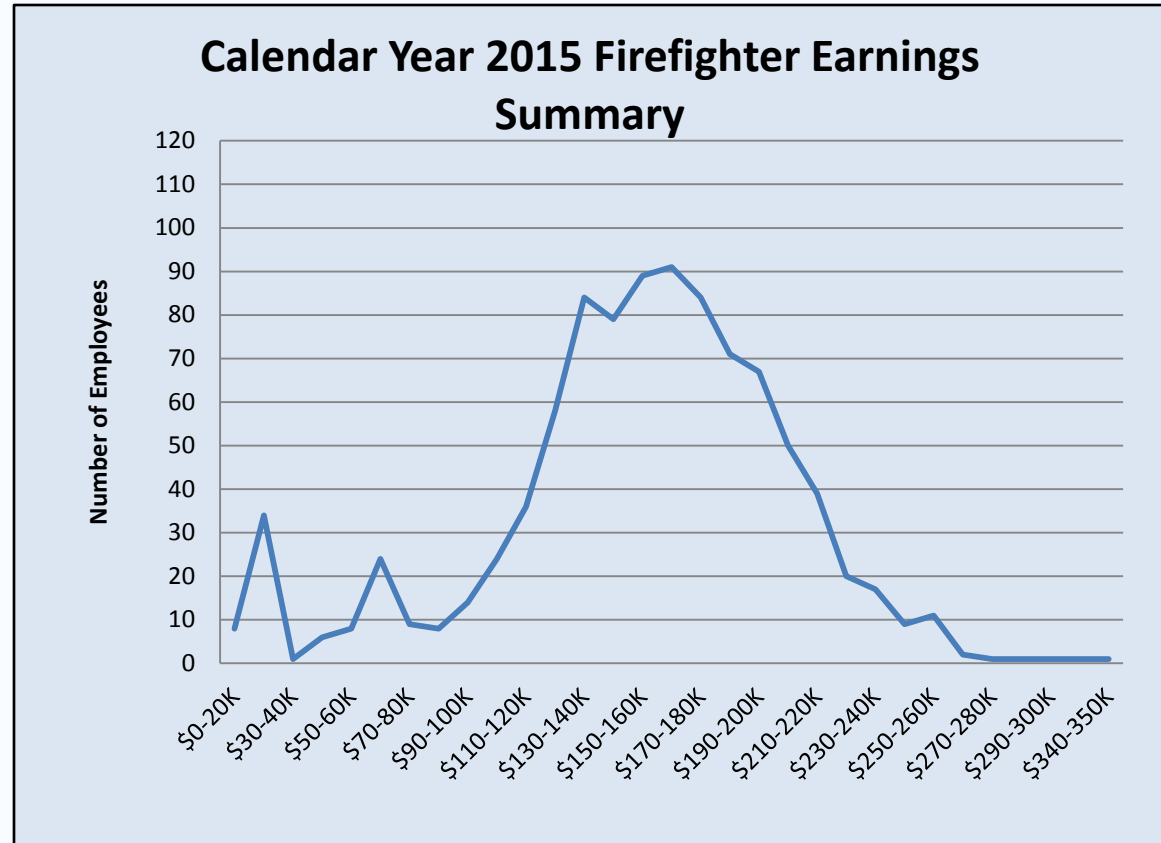
* Assumes 2,912 hours worked per year.

** Utilizes estimated hourly rates for top step within a classification.

- The estimated **\$10,993,667** savings is a direct result of utilizing overtime/backfill rather than full-time employees at a savings of 25-28% .

Firefighter Earnings Analysis

\$0-20K	8
\$20-30K	34
\$30-40K	1
\$40-50K	6
\$50-60K	8
\$60-70K	24
\$70-80K	9
\$80-90K	8
\$90-100K	14
\$100-110K	24
\$110-120K	36
\$120-130K	58
\$130-140K	84
\$140-150K	79
\$150-160K	89
\$160-170K	91
\$170-180K	84
\$180-190K	71
\$190-200K	67
\$200-210K	50
\$210-220K	39
\$220-230K	20
\$230-240K	17
\$240-250K	9
\$250-260K	11
\$260-270K	2
\$270-280K	1
\$280-290K	1
\$290-300K	1
\$300-310K	1
\$340-350K	1
Total	948



Median=50% of earnings fall below this amount and 50% of earnings fall above this amount.

Annual Firefighter (including hand crew) average and median earnings:

AVERAGE	\$	154,468
MEDIAN	\$	159,284

For Calendar Year 2015 there were 27 rather than 26 pay periods.

CY 2015 Firefighter Unit Earnings Analysis

Summary by Classification							
Classification	# of Employees (1)	Standard Work Week (2)	Weekly Average Hours Worked	Annual Average Hours Worked	Average Base Earnings (3)	Average Total Earnings (4)	Average Hourly Rate
Fire Captain	247	56	69.69	* 3,763	112,101	192,758	51.22
Fire Apparatus Engineer	230	56	71.82	* 3,878	99,198	164,836	42.50
Firefighter	448	56	64.66	* 3,492	79,797	133,110	38.12
Hand Crew Firefighter	23	40	47.75	2,579	34,010	55,600	21.56
Total	948						

* Of the Annual Average Hours Worked 3,024 are Base Hours

Notes:

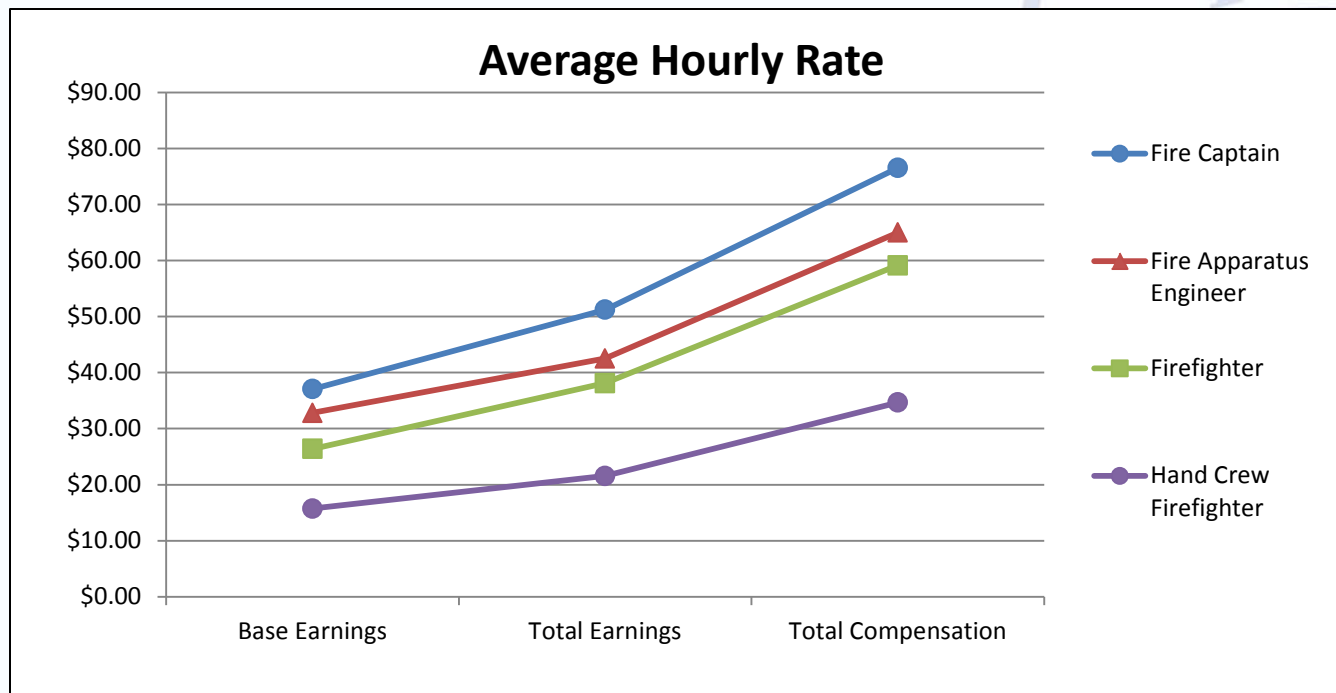
- (1) Represents total Fire Captain, Engineer, Firefighter & Hand Crew Firefighter paid during Calendar Year 2015.
- (2) Firefighters assigned to a suppression position work an average of 56 hours per week.
- (3) Base earnings include: Regular, Sick, Vacation Hours, Workers Compensation and Leaves.
- (4) Average total earnings is calculated by dividing total earnings by number of employees.

The Firefighter Unit employee's (excluding Hand Crew) average hourly rate is \$42.87, they work an average of 67.78 hours per week and the average total earnings are \$156,926 annually.

CY 2015 Firefighter Unit Total Compensation

Classification	BASE EARNINGS			TOTAL EARNINGS			TOTAL COMPENSATION		
	Average Base Earnings	Regularly Scheduled Hours	Average Hourly Rate	Average Total Earnings	Average Actual Hours Worked	Average Hourly Rate	Average Total Compensation	Average Actual Hours Worked	Average Hourly Rate
Fire Captain	\$112,101	3024	\$37.07	\$192,758	*3763	\$51.22	\$287,890	*3763	\$76.51
Fire Apparatus Engineer	\$99,198	3024	\$32.80	\$164,836	*3878	\$42.51	\$251,962	*3878	\$64.97
Firefighter	\$79,797	3024	\$26.39	\$133,110	*3492	\$38.12	\$206,529	*3492	\$59.14
Hand Crew Firefighter	\$34,010	2160	\$15.75	\$55,600	2579	\$21.56	\$89,431	2579	\$34.68

* Of the Annual Average Hours Worked 3,024 are Base Hours

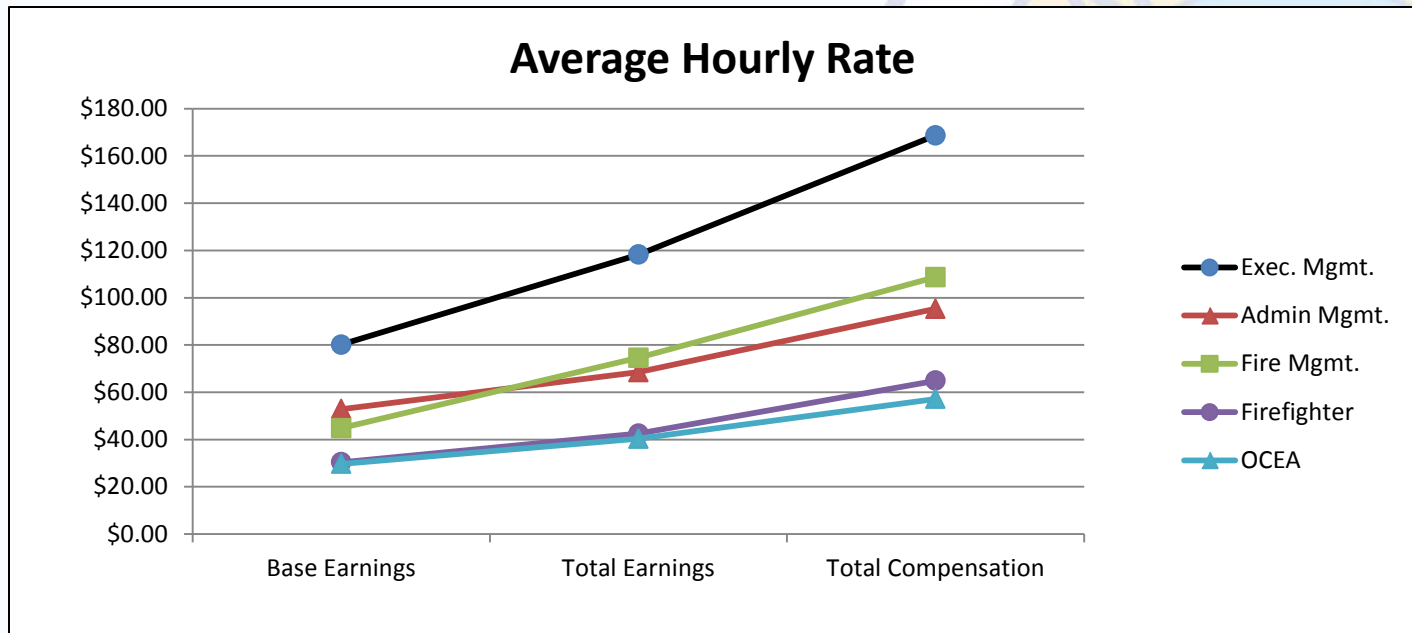


Note: Calendar Year 2015 had 27 rather than 26 pay periods.

Firefighters (excluding Hand Crew) worked an average of 67.78 hours per week with an average fully benefited hourly rate of \$65.45.

CY 2015 Total Employee Compensation

Bargaining Group	BASE EARNINGS			TOTAL EARNINGS			TOTAL COMPENSATION		
	Average Base Earnings	Regularly Scheduled Hours	Average Hourly Rate	Average Total Earnings	Average Actual Hours Worked	Average Hourly Rate	Average Total Compensation	Average Actual Hours Worked	Average Hourly Rate
Executive Management	\$173,084	2160	\$80.13	\$215,983	1826	\$118.28	\$308,068	1826	\$168.71
Administrative Management	\$114,207	2160	\$52.87	\$131,239	1917	\$68.46	\$182,669	1917	\$95.29
Chief Officers Association	\$135,514	3024	\$44.81	\$226,043	3030	\$74.60	\$329,399	3030	\$108.71
OC Professional Firefighters Assoc.	\$91,810	3024	\$30.36	\$154,468	3634	\$42.51	\$235,909	3634	\$64.92
Orange County Employee's Assoc.	\$64,145	2160	\$29.70	\$78,884	1955	\$40.35	\$111,783	1955	\$57.18



Calendar Year 2015 Top 10 Firefighter Earnings Analysis

	Title/ Assignment	Base Earnings	Total Earnings	Base Hours (2)	Other Hours	Total Hours	Average Hours Per Week	Average Hourly Rate
1	Fire Captain	\$119,991	\$345,017	3,024	3,037	6,061	112	\$ 56.93
2	Fire Captain	\$120,368	\$302,003	3,024	2,276	5,300	98	\$ 56.98
3	Fire Captain	\$120,049	\$293,299	3,024	2,135	5,159	96	\$ 56.86
4	Fire Captain	\$119,110	\$285,020	3,024	2,054	5,078	94	\$ 56.13
5	Fire Captain	\$120,036	\$278,775	3,024	1,939	4,963	92	\$ 56.17
6	Fire Captain	\$117,357	\$263,409	2,608	1,616	4,224	78	\$ 62.36
7	Fire Captain	\$119,133	\$261,189	3,024	1,709	4,733	88	\$ 55.19
8	Fire Captain	\$114,690	\$256,012	2,160	1,056	3,216	60	\$ 79.60
9	Fire Captain	\$118,986	\$255,934	3,024	2,010	5,034	93	\$ 50.84
10	Fire Captain	\$119,028	\$255,344	3,024	1,971	4,995	93	\$ 51.12

- (1) The top 10 Firefighters worked an average of 90.30 hours per week with an hourly earnings rate of \$58.22.
- (2) Base hours for calendar year 2015 were 3,024 due to an additional pay period.

Calendar Year 2015 Top 10 Firefighter Unit Total Compensation

	Title/ Assignment	Total Earnings	Total Compensation	Base Hours (2)	Other Hours	Total Hours	Average Hours Per Week	Average Hourly Rate
1	Fire Captain	\$345,017	\$442,241	3,024	3,037	6,061	112	\$ 72.97
2	Fire Captain	\$302,003	\$408,649	3,024	2,276	5,300	98	\$ 77.11
3	Fire Captain	\$293,299	\$395,180	3,024	2,135	5,159	96	\$ 76.60
4	Fire Captain	\$285,020	\$389,945	3,024	2,054	5,078	94	\$ 76.80
5	Fire Captain	\$278,775	\$376,021	3,024	1,939	4,963	92	\$ 75.76
6	Fire Captain	\$251,429	\$366,496	3,024	1,227	4,251	78	\$ 86.22
7	Fire Captain	\$263,409	\$363,926	2,608	1,616	4,224	78	\$ 86.16
8	Fire Captain	\$256,012	\$358,915	2,160	1,056	3,216	60	\$ 111.59
9	Fire Captain	\$261,189	\$357,984	3,024	1,709	4,733	88	\$ 75.64
10	Fire Captain	\$254,768	\$355,296	3,024	1,933	4,957	92	\$ 71.68

- (1) The top 10 Firefighters worked an average of 88.78 hours per week with and an average total compensation per hour of \$81.05.
- (2) Base hours for calendar year 2015 were 3,024 due to an additional pay period.

Calendar Year 2015 Top 10 Employee Total Compensation

	Title/ Assignment	Total Earnings	Total Compensation	Base Hours	Other Hours	Total Hours	Average Hours Per Week	Average Hourly Rate
1	Fire Captain	\$345,017	\$442,241	3,024	3,037	6,061	112	\$ 72.97
2	Fire Battalion Chief	\$302,071	\$416,662	2,896	1,272	4,168	77	\$ 99.97
3	Fire Captain	\$302,003	\$408,649	3,024	2,276	5,300	98	\$ 77.11
4	Fire Battalion Chief	\$289,914	\$407,887	2,672	1,331	4,003	74	\$ 101.90
5	Fire Chief	\$283,266	\$407,152	2,160	*	2,160	40	\$ 188.50
6	Fire Division Chief	\$315,917	\$403,560	1,680	513	2,193	41	\$ 184.06
7	Fire Division Chief	\$275,619	\$400,845	2,036	9	2,045	38	\$ 196.06
8	Fire Battalion Chief	\$284,580	\$398,808	3,024	1,360	4,384	81	\$ 90.97
9	Fire Captain	\$293,299	\$395,180	3,024	2,135	5,159	96	\$ 76.60
10	Fire Battalion Chief	\$278,780	\$391,501	3,024	1,444	4,468	83	\$ 87.63

The top 10 employees worked an average of 73.96 hours per week with an average total compensation per hour of \$117.58 Note: Total compensation may also include leave pay outs upon separation from the OCFA.

* Exempt from paid overtime.

Summary

- Approximately 91% of the backfill/overtime cost are non-discretionary (81% - constant staffing) and emergency activity (10% - reimbursable)
- For FY 2014/15 over ½ non-discretionary OT was a result of open positions. OCFA staff has conducted the following academies from July 1, 2015 through May 1, 2016:

2 Fire Firefighter Academies

1 Fire Captain Academy

1 Fire Apparatus Engineer Academy

1 Battalion Chief Academy

- The following academies are planned to be conducted in the next 12 months:

1 Firefighter Academy

1 Fire Captain Academy

2 Fire Apparatus Engineer Academies

1 Battalion Chief Academy

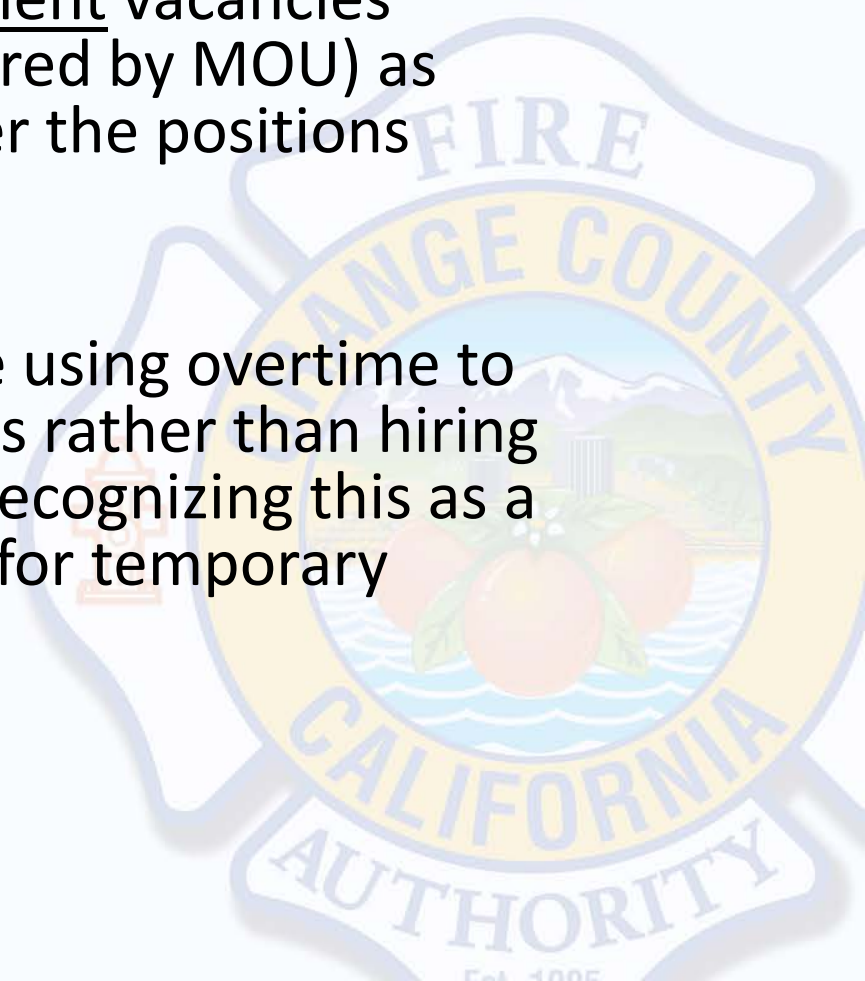
- Monthly reports are provided to management to show backfill/overtime expenditures by section and cause so that managers can monitor and, if required, adjust activities as needed in their respective areas.

Questions?



Recommended Actions

1. Direct staff to continue working towards an ability to fill permanent vacancies (exceeding those required by MOU) as quickly as possible after the positions become vacant.
2. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.





Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
May 26, 2016

Agenda Item No. 5B
Discussion Calendar

2016 Equity Ad Hoc Committee

Contact(s) for Further Information

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Summary

This agenda item is submitted for Board consideration to establish a 2016 Equity Ad Hoc Committee.

Prior Board/Committee Action

In 2012, the Board established an Equity Working Group Ad Hoc Committee for discussion of equity concerns that were raised by the City of Irvine. In March 2016, the Appellate Court ruled against OCFA, overturning the equity solutions that were previously put in motion by the 2012 Equity Working Group. As a result, this item proposes establishing a new 2016 Equity Ad Hoc Committee.

RECOMMENDED ACTION(S)

Approve the formation of a 2016 Equity Ad Hoc Committee, with membership to be determined by the OCFA Board Chair.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

In 2012, the Board established an Equity Working Group Ad Hoc Committee for discussion of equity concerns that were raised by the City of Irvine. The 2012 Equity Committee was comprised of OCFA Board Members and City Managers, all of whom served as voting members to provide advisory recommendations to the OCFA Board of Directors. In addition to these voting members, OCFA's Executive Management team and representatives from each of the OCFA's three labor groups (at the time) participated with the Committee as non-voting members.

As a result of the work performed by the 2012 Equity Committee, OCFA's member agencies approved a Second Amendment to the OCFA Joint Powers Agreement to address the equity concerns. However, the County of Orange opposed the judicial validation of the Second Amendment and prevailed, resulting in both the lower and Appellate Courts overturning the Second Amendment.

With the Second Amendment now null and void, the OCFA is considering any future action that may be desired, if any, to address equity concerns. To explore next steps, it is recommended that the Board of Directors consider the establishment a new 2016 Equity Ad Hoc Committee.

Staff suggests that the 2016 Equity Committee structure be similar to the 2012 Committee, with membership comprised of both OCFA Board Directors and City Managers. In addition, staff suggests that the members of Executive Management and representatives of each of OCFA's Labor Groups be invited as non-voting participants. Finally, the Committee meetings would be open-public meetings subject to the Brown Act, with future meeting dates, frequency, and times to be determined by the Committee members, once formed.

Attachment(s)

None.