

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Board of Directors Regular and Special Meeting
Thursday, May 24, 2018
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 and special meeting of the Orange County Fire Authority Board of Directors was called to order on May 24, 2018, at 6:00 p.m. by Chair Sachs.

INVOCATION

Chaplain Jeff Hetschel offered the invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Lisa Bartlett, County of Orange
Tim Brown, San Clemente
Melissa Fox, Irvine
Craig Green, Placentia
Dave Harrington, Aliso Viejo
Gene Hernandez, Yorba Linda
Joe Muller, Dana Point
Vince Rossini, Villa Park
Don Sedgwick, Laguna Hills
Elizabeth Swift, Buena Park
Juan Villegas, Santa Ana

Leah Basile, Lake Forest
Sergio Farias, San Juan Capistrano
Carol Gamble, Rancho Santa Margarita
Shelley Hasselbrink, Los Alamitos
Noel Hatch, Laguna Woods
Robert Johnson, Cypress
Al Murray, Tustin
Ed Sachs, Mission Viejo
Dave Shawver, Stanton
Tri Ta, Westminster

Absent: Laurie Davies, Laguna Niguel
Michele Steggell, La Palma

Ellery Deaton, Seal Beach
Todd Spitzer, County of Orange

Also present were:

Fire Chief Brian Fennessy
Assistant Chief Lori Smith
Human Resources Director Brigette Gibb
General Counsel David Kendig

Assistant Chief Lori Zeller
Assistant Chief Dave Anderson
Clerk of the Authority Sherry Wentz

1. PRESENTATIONS

No items.

PUBLIC COMMENTS (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, addressed concerns about unfunded liability and union negotiations.

CLOSED SESSION (F: 11.15)

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Agency Designated Representative: Peter Brown, Liebert Cassidy and Whitmore
Employee Organizations: Orange County Employees Association, Orange County
Fire Authority Managers Association
Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(d)(2) – Significant Exposure to
Litigation (1 Case)

General Counsel David Kendig reported the Board would convene to Closed Session to consider the matter on the Agenda identified as CS2, Conference with Legal Counsel – Anticipated Litigation; CS1, Conference with Labor Negotiator would not be considered.

Chair Sachs recessed the meeting to Closed Session at 6:10 p.m.

Chair Sachs reconvened the meeting from Closed Session at 7:23 p.m., with all members present.

CLOSED SESSION REPORT (F: 11.15)

General Counsel David Kendig reported the Board of Directors unanimously approved a motion made by Director Harrington, seconded by Director Murray, to give staff direction to meet with the Irvine City Council and staff in a special meeting if possible, to find out what Irvine's interests are and to engage in an exchange of information.

REPORTS

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

Human Resources Committee Chair Murray reported at the May 1, 2018, meeting, the Committee voted unanimously to receive and file the Workers' Compensation Presentation, FY 2017/18 Human Resources Domain Objectives – Third Quarter Update, Professional Standards Unit Update, 2017 Annual Anonymous Hotline Reports, and its placement on the Consent Calendar for all future annual reports, and the recommended action to explore the concept of the Girls Empowerment Fire Camp with staff reporting back to the Committee with feedback at the next meeting. Lastly, for staff to survey other agencies for alternative options for the Workers'

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Compensation Appointments and bring the recommendations to the next Human Resources Committee meeting.

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

Budget and Finance Committee Chair Muller reported at the May 9, 2018, meeting, the Committee voted unanimously to receive and file the Rosenow Spevacek Group, Inc. Final Property Tax Revenue Projections; to send the Monthly Investment Reports, and the Third Quarter Financial Newsletter to the Executive Committee for approval; and send the Updated Cost Reimbursement Rates, Proposed Adjustment – Santa Ana Service Charge, Review of the Fiscal Year 2018/19 Proposed Budget, and Proposed Procurement Policy Manual to the Board of Directors for approval of the recommended actions.

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

Claims Settlement Committee Chair Sachs reported the Committee considered Workers' Compensation claims for claimants Robert Becker, Derek Peter, and Patrick Walker. There were no reportable actions.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Brian Fennessy thanked Chair Sachs, Directors Steggell, Fox, and Green for attending the 46th Academy Graduation and all staff members involved for creating a remarkable event, announced the promotion of Mark Sanchez as Assistant Chief of Operations and Randy Black as Assistant Chief of Emergency Medical Services, and reported on the progress of air operations between the OCFA and Orange County Sheriff's Department.

Director Villegas thanked Chief Black for his service to the City of Santa Ana as its Division Chief.

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2. Minutes from the Board of Directors Meetings (F: 11.06)

On motion of Director Johnson and second by Director Green, the Board of Directors voted unanimously by those present to approve the April 26, 2018, Board of Directors regular meeting minutes as submitted. Directors Harrington, Swift, and Villegas were recorded as abstentions, due to their absence from the meeting.

3. **CONSENT CALENDAR** (Agenda Item 3B was pulled for separate consideration)

A. **Updated Cost Reimbursement Rates** (F: 15.12)

On motion of Director Murray and second by Director Johnson, the Board of Directors voted unanimously by those present to approve and adopt the proposed Cost Reimbursement Rate schedules to be effective July 1, 2018.

B. **Proposed Procurement Policy Manual** (F: 11.10H5)

Director Bartlett pulled the item to thank staff for the proposed procurement manual as it provides additional detail and transparency.

On motion of Director Bartlett and second by Director Johnson, the Board of Directors voted unanimously by those present to receive and file the Procurement Policy Manual.

C. **Proposed Adjustment – Santa Ana Service Charge** (F: 10.03 Santa Ana)

On motion of Director Murray and second by Director Johnson, the Board of Directors voted unanimously by those present to approve and authorize staff to adjust the City of Santa Ana's service charge to exclude the impact of OCFA's Accelerated Pension Payments from FY 2015/16 forward.

END OF CONSENT CALENDAR

4. **PUBLIC HEARING**

A. **Review of the Fiscal Year 2018/19 Proposed Budget** (F: 15.04 18/19)

Assistant Chief Lori Zeller presented the Review of the Fiscal Year 2018/19 Proposed Budget.

Chair Sachs opened the public portion of the Public Hearing. Chair Sachs closed the Public Comments portion of the meeting without any comments from the public.

On motion of Director Sedgwick and second by Director Ta, the Board of Directors voted by those present to Conduct a Public Hearing:

1. Adopt the proposed FY 2018/19 Budget as submitted.
2. Adopt Resolution No. 2018-04 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 2018/19.
3. Approve and authorize the temporary transfer of up to \$46 million from the following funds to cover a projected temporary cash flow shortfall for FY 2018/19:

- a. Fund 123 Fire Stations and Facilities - \$10 million
- b. Fund 133 Fire Apparatus - \$20 million
- c. Fund 190 Workers' Compensation Reserve Fund - \$16 million
4. Approve and authorize the repayment of \$46 million borrowed funds from Fund 121 to the above funds along with interest when General Fund revenues become available in FY 2018/19.
5. Approve an update to the Financial Stability Budget Policy allowing for as needed transfers to the CIP funds at fiscal year onset.
6. Approve and authorize FY 2017/18 budget adjustments to increase General Fund (121) revenues by net \$2,242,077 and General Fund (121) expenditures by \$2,587,327; decrease expenditures in Fire Stations and Facilities Fund (123) by \$7,500,000 and decrease Fire Apparatus Fund (133) by \$145,000.

5. DISCUSSION CALENDAR

A. Response to Grand Jury Report Regarding "Orange County Fire Authority – Financial Flames on the Horizon?" (F: 20.04A10)

Assistant Chief Lori Zeller presented the Response to Grand Jury Report regarding "Orange County Fire Authority – Financial Flames on the Horizon."

Stephen Wontrobski, Mission Viejo resident, addressed perceived ambiguous information reported in the Grand Jury response.

On motion of Director Murray and second by Director Green, the Board of Directors voted unanimously by those present to approve and authorize the Clerk of the Authority to submit the Orange County Fire Authority's response to the Orange County Grand Jury report entitled "Orange County Fire Authority – Financial Flames on the Horizon?" to the Presiding Judge of the Superior Court.

B. Canyon 2 Fire Recommendations – Implementation Plan (F: 18.08A10)

Chief Fennessy presented the Canyon 2 Fire Recommendations - Implementation Plan.

On motion of Director Swift and second by Director Johnson, the Board of Directors voted unanimously by those present to receive and file the Canyon 2 Fire Recommendations – Implementation Plan.

C. May 2018 Legislative Report (F: 11.10F1)

Legislative Analyst Jay Barkman presented the May 2018 Legislative Report.

Stephen Wontrobski, Mission Viejo resident, stated his opposition to State Assembly Bill 1912.

On motion of Director Murray and second by Director Hernandez, the Board of Directors voted by those present to direct staff to work with other local agencies and interested groups to “seek amendments” on AB 1912 (Rodriguez) to exclude liabilities of Structural Fire Fund cities and to avoid reporting of OCFA’s retirement liabilities by member agencies such as the redline version that was circulated this evening. Director Bartlett abstained.

S1. Ongoing Equity Discussions - City of Irvine (F: 10.3)

Chair Sachs asked General Counsel if having reported out at Closed Session, does the item need to be heard.

General Counsel David Kendig reported yes if there is public comment.

Stephen Wontrobski, Mission Viejo resident, spoke in opposition.

On motion of Director Rossini and second by Director Hernandez, the Board of Directors voted unanimously by those present to provide direction to staff regarding any additional actions the Board may wish for staff to pursue in response to Irvine City Council’s May 22, 2018, report out of closed session that, by a unanimous vote, “the City Council directed that a notice be prepared to the Orange County Fire Authority to indicate that the City of Irvine would leave the Orange County Fire Authority in 2020, that notice will be prepared for delivery to the Fire Authority at the end of June unless specific interests of the City of Irvine are addressed prior to that time.”

BOARD MEMBER COMMENTS (F: 11.13)

Director Swift thanked all for the many well wishes having been in the hospital for nearly two weeks, and announced the dedication ceremony of Fire Station 61 (Buena Park) on July 11, at 10:00 a.m.

Director Hernandez reported that the Association of California Cities, Orange County conducted a panel presentation to cities that were interested in combining services, as OCFA provides. He thanked Assistant Chiefs Zeller and Anderson for their presentations.

Director Green noted attending the 46th Academy Graduation.

Director Fox presented Chief Fennessy a check in the amount of \$100,000 of an unsolicited donation by Maruchan, Inc., to augment various services provided by OCFA in Irvine.

Director Sedgwick thanked Chief Fennessy for his professionalism and grace he has brought to OCFA; commented on OCFA’s exemplary professional services provided during both the bomb explosion in Aliso Viejo and the building fire in Laguna Hills.

Director Murray announced the 34th Annual Chili Cook-off and Street Fair in Tustin on June 3, congratulated Division Chief Black on his promotion to Assistant Chief of Emergency Medical Services, and thanked him for coordination of the city's disaster preparedness event.

Director Hasselbrink that Los Alamitos voted unanimously to stay with OCFA services, and thanked Finance Manager Jim Ruane and Assistant Chief Lori Zeller for their outstanding level of detail provided in requested data.

Director Shawver reported on his study of public records requests and its impact on OCFA.

Director Harrington thanked Chief Fennessy for OCFA's services provided in response to the bombing incident in Aliso Viejo.

Director Swift thanked the OCFA staff, firefighters, and emergency services for their great service, having utilized recent paramedic services for herself and spouse.

Chair Sachs reported attending the 46th Firefighter Academy Graduation; his appreciation for Fire Chief Fennessy; the installation by OCFA staff of over 240 smoke detectors in Mission Viejo homes; and complimented staff on the professional actions taken on the Aliso Viejo bombing.

ADJOURNMENT – Chair Sachs adjourned the meeting at 8:51 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, June 28, 2018, at 6:00 p.m.



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