

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Board of Directors Regular Meeting
Thursday, November 21, 2019
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 November 21, 2019, at 6:00 p.m. by Vice Chair Hasselbrink.

INVOCATION

Chaplain Matthew Si offered the Invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Lisa Bartlett, County of Orange
Sergio Farias, San Juan Capistrano
Dave Harrington, Aliso Viejo
Noel Hatch, Laguna Woods
Neeki Moatazedi, Lake Forest
John R. O'Neill, Garden Grove
Ed Sachs, Mission Viejo
Dave Shawver, Stanton
Elizabeth Swift, Buena Park
Donald P. Wagner, County of Orange

Letitia Clark, Tustin
Carol Gamble, Rancho Santa Margarita
Shelley Hasselbrink, Los Alamitos
Robert Johnson, Cypress
Thomas Moore, Seal Beach
Sandy Rains, Laguna Niguel
Vince Rossini, Villa Park
Michele Steggell, La Palma
Juan Villegas, Santa Ana
Kathleen Ward, San Clemente

Absent: Melissa Fox, Irvine
Joe Muller, Dana Point
Tri Ta, Westminster

Gene Hernandez, Yorba Linda
Don Sedgwick, Laguna Hills

Also present were:

Fire Chief Brian Fennessy
Deputy Chief Lori Zeller
Assistant Chief Pokey Sanchez
General Counsel David Kendig
Clerk of the Authority Sherry Wentz

Assistant Chief Randy Black
Assistant Chief Robert Cortez
Assistant Chief Jim Ruane
Assistant Chief Lori Smith
Communications Director Colleen Windsor

PUBLIC COMMENTS (F: 11.11)

Vice Chair Hasselbrink opened the Public Comments portion of the meeting. Vice Chair Hasselbrink closed the Public Comments portion of the meeting without any comments from the general public.

Director Wagner arrived at this point (6:07 p.m.).

Director O'Neill arrived at this point (6:09 p.m.).

REPORTS

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

Budget and Finance Committee Chair Shelley Hasselbrink reported at the November 13, 2019, meeting, the Committee voted unanimously to send the First Quarter Financial Newsletter and Monthly Investment Reports, to the Executive Committee for its approval; to send the Annual Statement of Investment Policy and Investment Authorization, Acceptance of Funds from the 2018 Homeland Security Grant Program for an Administrative Fire Captain Assigned to the Orange County Intelligence Assessment Center, the Audited Financial Reports for the Fiscal Year Ended June 30, 2019, the Amendment to the Board Rules of Procedure for All Monthly Board Committee Meetings to Go Dark in August, and the 2019 Long Term Liability Study & Accelerated Pension Payment Plan to the Board of Directors for approval of the recommended actions.

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

Human Resources Chair Rob Johnson reported at the November 5, 2019, meeting, the Committee discussed the Organizational Development Project Update, which is an initiative being guided by Chief Fennessy with assistance from consultant/retired Fire Chief Bob Roper. This project will seek to identify OCFA Chief Officers who aspire to promote to higher ranks, and then assist with developmental opportunities. The targeted outcome of the first phase of the project is to fill the vacancy for Deputy Chief of Emergency Operations, and to do so from within the organization. Following discussion between the Committee and Chief Fennessy, the Committee received and filed the report. The Committee also received and filed the Third Quarter Recruitment and Selection Unit Update.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Brian Fennessy introduced Assistant Chief Ruane who reported on a visit from the Los Angeles Mayor's office to review OCFA's upstaffing/base camp preparedness for firefighting. Chief Fennessy introduced Communications Director Colleen Windsor who reported on the collaboration of the annual Spark of Love Toy Drive with Channel 7 News. Chief Fennessy reported on the success of containment of the Santiago Fire with the use of the helitanker, reported on the mutual aid system, and thanked the Board for its continued support in the OCFA firefighting equipment. He reminded everyone of the upcoming Academy Graduations on November 23.

2. MINUTES

A. Minutes from the October 24, 2019, Regular Meeting of the Board of Directors (F: 11.06)

On motion of Director Johnson and second by Director Ward, the Board of Directors approved the October 24, 2019, minutes as submitted. Directors Gamble and Moatazedi were recorded as abstentions, due to their absence from the October 24, 2019, meeting.

3. CONSENT CALENDAR

A. Annual Statement of Investment Policy and Investment Authorization (F: 11.10D)

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

1. Review and approve the revised submitted Investment Policy of the Orange County Fire Authority, to be effective January 1, 2020.
2. Pursuant to Government Code Sections 53601 and 53607, renew delegation of investment authority to the Treasurer for a one-year period, to be effective January 1, 2020.

B. Acceptance of Funds from the 2018 Homeland Security Grant Program for an Administrative Fire Captain Assigned to the Orange County Intelligence Assessment Center (F: 16.02A1)

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

1. Approve and authorize the Fire Chief to execute any necessary agreement(s) to accept and administer the FY 2018 Homeland Security Grant Program.
2. Approve a budget adjustment to the FY 2019/20 General Fund (121) budget to increase revenues and expenditures by \$180,000.

C. Amendment to the Board Rules of Procedure for All Monthly Board Committee Meetings to Go Dark in August (F: 11.03)

On motion of Director Shawver and second by Director Rossini, the Board of Directors voted unanimously by those present to adopt Resolution No. 2019-08 entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AMENDING THE BOARD RULES OF PROCEDURE TO HAVE ALL MONTHLY BOARD COMMITTEE MEETINGS TO GO DARK IN AUGUST.

D. Amendment to 2020 Board Meeting Schedule (F: 11.05)

On motion of Director Shawver and second by Director Rossini, the Board of Directors voted unanimously by those present to adopt Resolution No 2019-09 entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS TO TEMPORARILY EXPAND THE REGULAR MEETING DATES OF THE BOARD OF DIRECTORS FOR CALENDAR YEAR 2020.

END OF CONSENT CALENDAR

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

A. 2019 Long Term Liability Study & Accelerated Pension Payment Plan (F: 17.06A)

Assistant Chief Robert Cortez introduced Treasurer Tricia Jakubiak, who presented the 2019 Long Term Liability Study and Accelerated Pension Payment Plan.

A brief discussion ensued.

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

1. Direct staff to continue the Accelerated Pension Payment Plan as indicated in the Updated Snowball Strategy.
2. Direct staff to implement Option 1:
 - a. Option 1 (Substitute Recommendation by Budget and Finance Committee):
 - i. Direct staff to adjust the FY 2019/20 General Fund budget to increase expenditures by \$4,030,172, or 80% of the unencumbered fund balance identified in the FY 2018/19 financial audit, for the purpose of making a payment towards OCFA's unfunded pension liability; and,
 - ii. Direct staff to transfer the remaining \$1,007,542, or 20%, of the unencumbered fund balance identified in the FY 2018/19 financial audit, from the General Fund (121) to the Capital Improvement Program (CIP) Fund 12110 to fund fire station improvement Projects.
 - b. Option 2 (Original Staff Recommendation):

Adjust the FY 2019/20 General Fund budget to increase expenditures by \$5,037,714, the amount identified as the unencumbered fund balance identified in the FY 2018/19 financial audit, for the purpose of making a payment towards OCFA's unfunded pension liability.

Directors Gamble, Farias, Villegas, and Ward voted in opposition.

B. Audited Financial Reports for the Fiscal Year Ended June 30, 2019 (F: 15.06)

Assistant Chief Cortez presented the Audited Financial Reports for the Fiscal Year Ended June 30, 2019.

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

1. Receive and approve the reports.
2. Review the calculations used to determine the fund balance amounts assigned to the capital improvement program and workers' compensation and confirm the calculations' consistency with the OCFA's Assigned Fund Balance Policy.

BOARD MEMBER COMMENTS (F: 11.13)

Director Sachs thanked Fire Chief Fennessy for his fire operations plans he has implemented to date.

Director Johnson inquired about fire assistance grants and reimbursements to the agency.

Vice Chair Hasselbrink announced the Board would be going dark in December and noted the upcoming Graduations of both Firefighter Academies 48 and 49.

Director Clark thanked those who represented the OCFA at today's Tustin Mayor's Thanksgiving Breakfast.

CLOSED SESSION (F: 11.15)

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

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

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9
(1 Case)

General Counsel David Kendig reported the Board of Directors would convene to Closed Session to consider the matter on the agenda identified as CS1, Conference with Labor Negotiator, and CS2, Conference with Legal Counsel – Anticipated Litigation.

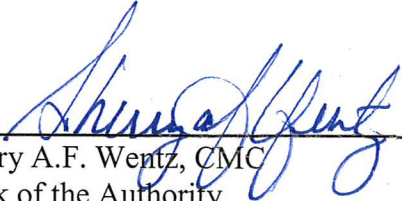
Vice Chair Hasselbrink recessed the meeting at 6:51 p.m.

Vice Chair Hasselbrink reconvened the meeting at 8:19 p.m. with all prior Board Members present.

CLOSED SESSION REPORT (F: 11.15)

General Counsel David Kendig stated Director Villegas reconsidered his vote for Agenda Item No. 5A, and changed his vote to oppose. Otherwise, there were no reportable actions.

ADJOURNMENT – Vice Chair Hasselbrink adjourned the meeting at 8:20 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, January 23, 2020, at 6:00 p.m.



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