



ORANGE COUNTY FIRE AUTHORITY

AGENDA

EXECUTIVE COMMITTEE REGULAR MEETING

Thursday, June 24, 2021

5:30 P.M.

Regional Fire Operations and Training Center Board Room

1 Fire Authority Road
Irvine, CA 92602

Dave Shawver, Chair

Michele Steggell, Vice Chair

Shelley Hasselbrink • Joe Muller • Donald P. Wagner • Noel Hatch
Gene Hernandez • Leticia Clark • John O'Neill

Ex Officio Member - Dennis Wilberg, Mission Viejo

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 Executive Committee 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 the 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>



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 and identify the need and the requested modification or accommodation. Please notify us as soon as is feasible, however 48 hours prior to the meeting is appreciated to enable the Authority to make reasonable arrangements to assure accessibility to the meeting.

NOTICE REGARDING PUBLIC PARTICIPATION **DURING COVID-19 EMERGENCY**

During the Statewide COVID-19 Emergency, the public is not permitted to convene in person for this public meeting. However, the public may still view and comment on the meeting as follows:

- To watch the meeting online, please go to website at www.Ocfa.org
- To submit an e-comment, please email to PublicComments@ocfa.org

You may comment on items on the agenda or not on the agenda. Your comments will be forwarded electronically and immediately to the members of the Committee. Comments related to a particular agenda item will only be considered prior to the close of public comments on that item.

CALL TO ORDER by Chair Shawver

INVOCATION by OCFA Chaplain Jeff Hetschel

PLEDGE OF ALLEGIANCE by Director Hasselbrink

ROLL CALL by Assistant Clerk of the Authority

REPORTS

A. Report from the Budget and Finance Committee Chair

PUBLIC COMMENTS

Please refer to instructions on how to submit a public comment during COVID-19 Emergency on Page 1 of this Agenda.

1. PRESENTATIONS

No items.

2. CONSENT CALENDAR

All matters on the consent calendar are considered routine and are to be approved with one motion unless a Committee Member or a member of the public requests separate action on a specific item.

A. Minutes from the May 27, 2021, Regular Executive Committee Meeting

Submitted by: Maria D. Huizar, Clerk of the Authority

The record will reflect that any Director not in attendance at the meeting of the Minutes will be registered as an abstention, unless otherwise indicated.

Recommended Action:

Approve as submitted.

B. Monthly Investment Reports

Submitted by: Tricia Jakubiak, Treasurer

On June 9, 2021, the Budget and Finance Committee reviewed the proposed agenda item and directed staff to place the item on the Executive Committee agenda by an 8-0 vote (Director Bourne absent).

Recommended Action:

Receive and file the reports.

C. Annual Renewal of General Liability Insurance

Submitted by: Rhonda Haynes, Risk Manager

Recommended Action:

Approve and authorize the Fire Chief, or his designee, to renew the General Liability Insurance Program coverage with the Fire Agencies Insurance Risk Authority (FAIRA) for the policy period from July 1, 2021, to July 1, 2022, with a premium amount of \$2,270,000.

D. Annual Renewal of California State Association of Counties Excess Insurance Authority Workers' Compensation Excess Insurance

Submitted by: Rhonda Haynes, Risk Manager

Recommended Action:

Approve and authorize the Fire Chief, or his designee, to bind workers' compensation excess insurance coverage with the California State Association of Counties Excess Insurance Authority for the policy period July 1, 2021, to July 1, 2022, with a premium of \$682,000.

E. Temporary Contract Extension – Security Guard Service for the Regional Fire Operations and Training Center

Submitted by: Jim Ruane, Assistant Chief/Logistics Department, Patrick Bauer, Property Manager/Logistics Department and Rhonda Haynes, Risk Manager

Recommended Action:

Approve and authorize the Purchasing Manager to execute Amendment Number Three to the Professional Services Agreement with Allied Universal Security Services to extend the Agreement through January 31, 2022, in an amount not to exceed \$121,299.78 (\$17,328.54 per month).

F. June Legislative Report

Submitted by: Robert Cortez, Assistant Chief/Business Services Department and Jay Barkman, Legislative Analyst

Recommended Action:

Receive and file update and recommended bill positions consistent with the 2021-22 Legislative Platform.

3. DISCUSSION CALENDAR

No items.

CLOSED SESSION

No items.

COMMITTEE MEMBER COMMENTS

ADJOURNMENT – The next regular meeting of the Orange County Fire Authority Executive Committee is scheduled for Thursday, July 23, 2021, at 5:30 p.m.

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury and as required by the State of California, Government Code § 54954.2(a), that the foregoing Agenda was posted in the lobby and front gate public display case of the Orange County Fire Authority, Regional Fire Operations and Training Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting.

Martha Halvorson, CMC
Assistant Clerk of the Authority

UPCOMING MEETINGS:

Budget and Finance Committee
Executive Committee
Board of Directors

Wednesday, July 14, 2021, 12 noon
Thursday, July 23, 2021, 5:30 p.m.
Thursday, July 23, 2021, 6:00 p.m.

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Executive Committee Regular Meeting
Thursday, May 27, 2021
5:30 P.M.**

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

CALL TO ORDER

Chair Shawver called the regular meeting of the Orange County Fire Authority Executive Committee to order at 5:30 p.m. on May 27, 2021.

INVOCATION

The invocation was led by OCFA Chaplain Jeff Hetschel.

PLEDGE OF ALLEGIANCE

Director Chun led the assembly in the Pledge of Allegiance to our Flag.

ROLL CALL

Present: Dave Shawver, Stanton, Chair
Michele Steggell, La Palma, Vice Chair
Letitia Clark, Tustin*
Ross Chun, Aliso Viejo* (Alternate)
Joe Muller, Dana Point*
John O'Neill, Garden Grove
Sandy Rains Laguna Niguel* (Alternate)

Absent: Shelley Hasselbrink, Los Alamitos
Noel Hatch, Laguna Woods
Gene Hernandez, Yorba Linda
Donald P. Wagner, County of Orange
Dennis Wilberg, Ex Officio

Also present were:

Fire Chief Brian Fennessy	Deputy Chief Lori Zeller
Deputy Chief Kenny Dossey	Assistant Chief Robert Cortez
Assistant Chief Randy Black	Assistant Chief Lori Smith
Assistant Chief Jim Ruane	General Counsel David Kendig
Assistant Chief Phil Johnson	Assistant Chief Stephanie Holloman
Clerk of the Authority Maria Huizar	Dir. of Communications Colleen Windsor

**Those members attending via Teleconferencing*

REPORTS

A. Report from the Budget and Finance Committee Chair (FILE 12.02A6)

Chair Shawver deferred the Budget and Finance Committee Report to the Board of Directors meeting.

B. Report from the Human Resources Committee Chair (FILE 12.02A6)

Chair Shawver deferred the Human Resources Committee Report to the Board of Directors meeting.

PUBLIC COMMENTS

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

1. PRESENTATIONS

No items.

2. CONSENT CALENDAR

On motion of Director O'Neill and second by Vice Chair Steggell, and following a roll call vote, declared Agenda Item 2A – 2F passed 5-0 (Directors Hasselbrink, Hatch, and Hernandez absent, Director Rains in abstention for Agenda Item 2A, and Director Chun in abstention).

A. Minutes from the April 22, 2021, Regular Executive Committee Meeting (FILE 12.02A2)

Action: Approve as submitted.

B. Monthly Investment Reports (FILE 11.10D2)

Action: Receive and file the reports.

C. Third Quarter Financial Newsletter (FILE 15.07)

Action: Receive and file the report.

D. Classification and Compensation Recommendations for Fleet Services Occupational Series (FILE 17.18)

Actions:

1. Approve the establishment of the Equipment Technician I/II, Heavy Equipment Technician I/II, and Communications Installer I/II flexible classification series, with corresponding salary ranges.
2. Approve the retitling and adoption of the revised classification specification with corresponding salary range for Fire Apparatus Technician to Equipment Technician II, Senior Fire Apparatus Technician to Heavy Equipment Technician II, Fire Apparatus Parts Specialist to Equipment Parts Specialist, and Senior Fire Apparatus Parts Specialist to Senior Equipment Parts Specialist.
3. Approve the reclassification of one (1) Assistant Fire Apparatus Technician to Heavy Equipment Technician I, one (1) Fire Apparatus Parts Specialist to Service Center Technician I, seven (7) Fire Apparatus Parts Specialists to Communications Installer I, one (1) Fire Apparatus Parts Specialist to Supply Services Specialist, and one (1) Communications Installer to Communications Installer II.
4. Approve adoption of the revised classification specifications for Fleet Services Supervisor and Fleet Services Coordinator, with corresponding salary ranges.

E. Award of RFP JA2487 Purchase of Freightliner Cascadia Box Truck (FILE 22.05A)

Action: Approve and authorize the Purchasing Manager to execute a Master Agreement with Los Angeles Truck Centers, LLC for the purchase of one Freightliner Cascadia box truck in an amount not to exceed \$262,106.76.

F. Fourth Amendment to the Advanced Life Support Billing Agreements (FILE 18.05A4)

Action: Approve and authorize the Board Chair to sign the fourth amendment to the Advanced Life Support Billing Agreement to extend the Medical Supply Reimbursement analysis term from June 1, 2021 to July 31, 2021.

3. DISCUSSION CALENDAR

No items.

CLOSED SESSION

No items.

COMMITTEE MEMBER COMMENTS

The Committee Members offered no comments.

ADJOURNMENT – Chair Shawver adjourned the meeting at 5:36 p.m. The next regular meeting of the Orange County Fire Authority Executive Committee is scheduled for Thursday, June 24, 2021, at 5:30 p.m.

Maria D. Huizar, CMC
Clerk of the Authority



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
June 24, 2021

Agenda Item No. 2B
Consent Calendar

Monthly Investment Reports

Contact(s) for Further Information

Robert Cortez, Assistant Chief, Business Services Department	robertcortez@ocfa.org	714.573.6012
Tricia Jakubiak, Treasurer Treasury & Financial Planning	triciajakubiak@ocfa.org	714.573.6301
James Slobojan, Assistant Treasurer Treasury & Financial Planning	jameslobojan@ocfa.org	714.573.6305

Summary

This agenda item is a routine transmittal of the monthly investment reports submitted to the Committee in compliance with the investment policy of the Orange County Fire Authority and with Government Code Section 53646.

Prior Board/Committee Action

On June 9, 2021, the Budget and Finance Committee reviewed the proposed agenda item and directed staff to place the item on the Executive Committee agenda by a 8-0 vote (Director Bourne absent).

RECOMMENDED ACTION(S)

Receive and file the reports.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

Attached is the final monthly investment report for the month ended April 30, 2021. A preliminary investment report as of May 21, 2021, is also provided as the most complete report that was available at the time this agenda item was prepared.

Attachment(s)

Final Investment Report – April 2021/Preliminary Report –May 2021

Orange County Fire Authority Monthly Investment Report



Final Report – April 2021

Preliminary Report – May 2021



Monthly Investment Report Table of Contents

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Orange County Fire Authority

Final Investment Report

April 30, 2021



EXECUTIVE SUMMARY

Portfolio Activity & Earnings

During the month of April 2021, the size of the portfolio increased significantly by approximately \$51.6 million to \$192.2 million. Noteworthy receipts for the month included the sixth apportionment of secured property taxes in the amount of \$86.7 million. Additional receipts included 2 cash contract payments totaling \$5.6 million and various intergovernmental agency payments and other charges for current services totaling \$4.7 million. Significant disbursements for the month included three biweekly (instead of the typical two per month) payrolls totaling approximately \$38.1 million with related benefits including a \$3 million payment to OCERS for OCFA's unfunded pension liability. Total April cash outflows amounted to approximately \$45.4 million. The portfolio's balance is expected to decrease in May as receipts forecast for the month will not exceed projected expenditures.

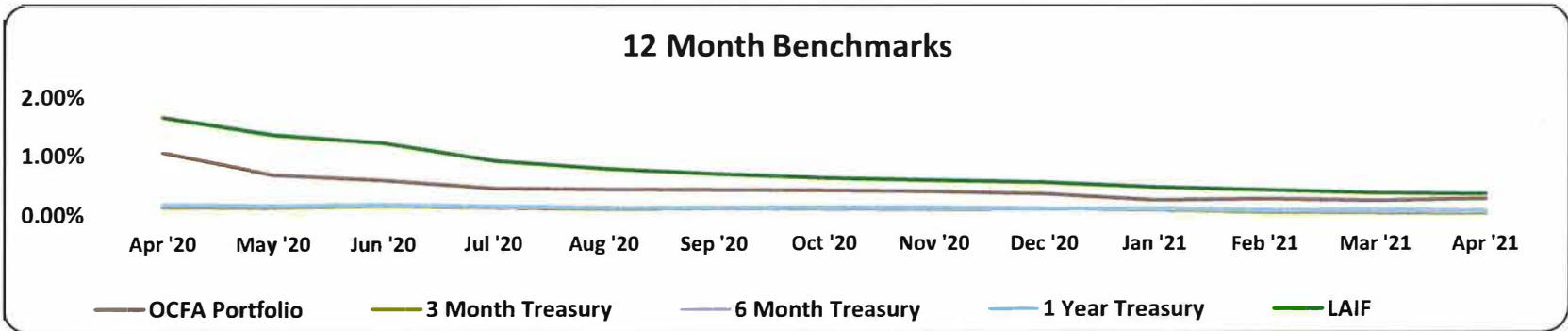
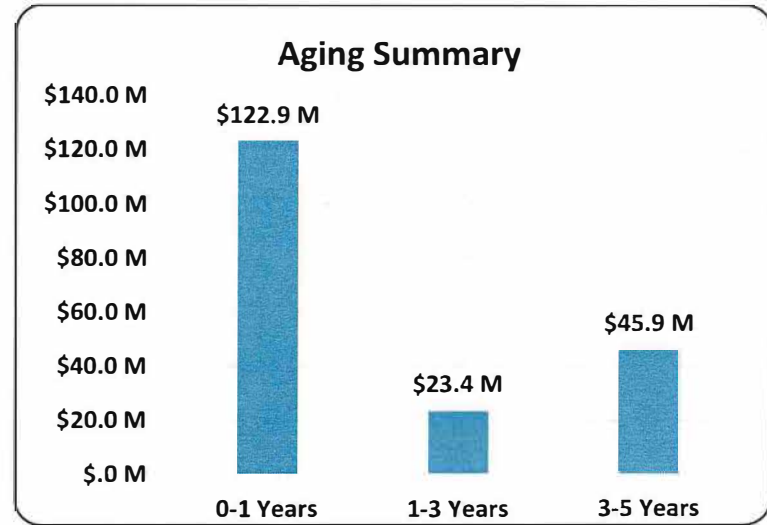
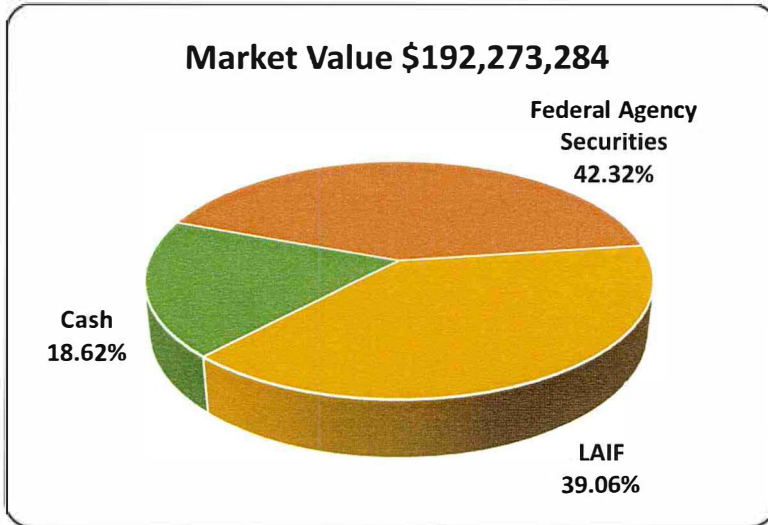
In April, the portfolio's yield to maturity (365-day equivalent) increased to 0.429%. The effective rate of return increased by 3 basis points to 0.26% for the month, and the average maturity of the portfolio increased by 25 days to 53 days to maturity.

Economic News

In April 2021, both the unemployment rate, at 6.1 percent, and the number of unemployed persons, at 9.8 million, were little changed amid a shortage of available workers. Consumer confidence rose sharply in April to 121.7, up from 109 in March. Retail Sales remained unchanged from March as the boost from the stimulus checks faded. Manufacturing activity continued its expansion in April while companies and suppliers continue to struggle to meet increasing rates of demand due to coronavirus impacts limiting availability of parts and materials. New single-family home sales surged 20.7% to a seasonally adjusted annual rate of 1.021 million units in April, the highest since August 2006. The market for new homes is benefiting from the scarcity of previously owned homes. The Consumer Price Index (CPI) rose 0.8% in April versus an expected increase of 0.2%. The CPI rise in April from a year earlier was the sharpest since September 2008, rising 4.2%. The U.S. economy moved into high gear with energy prices jumping higher and inflation accelerating at its fastest pace in more than 12 years. The Producer Price Index rose 0.6% from March while PPI spiked 6.2% year over year, the largest increase since the agency started tracking the data in 2010. The Federal Reserve sees the current rise in consumer prices and inflation as temporary and not likely to influence policy as inflation was very low in April 2020 with a widespread shutdown of the U.S. economy. Fed officials have consistently stated that interest rates will not be increased until inflation averages around 2% for an extended period.



PORTFOLIO HAS AMPLE LIQUIDITY AND IS EXCEEDING TREASURY BENCHMARKS AS OF APRIL 30, 2021





BENCHMARK COMPARISON AS OF APRIL 30, 2021

<i>3 Month T-Bill:</i> 0.02%	<i>1 Year T-Bill:</i> 0.06%
<i>6 Month T-Bill:</i> 0.04%	<i>LAIF:</i> 0.34%
<i>OCFA Portfolio:</i> 0.26%	

PORTFOLIO SIZE, YIELD, & DURATION

	<u><i>Current Month</i></u>	<u><i>Prior Month</i></u>	<u><i>Prior Year</i></u>
<i>Book Value</i>	\$192,629,540	\$141,030,715	\$211,723,024
<i>Yield to Maturity (365 day)</i>	0.43%	0.29%	2.36%
<i>Effective Rate of Return</i>	0.26%	0.23%	2.31%
<i>Days to Maturity</i>	53	28	65



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
April 30, 2021

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

See Note 1 on page 10

See Note 2 on page 10

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Call/ Maturity	YTM/Call 360 Equiv.	YTM/Call 365 Equiv.
Federal Agency Coupon Securities	69,450,000.00	69,363,625.00	69,452,794.91	44.39	1,330	112	0.586	0.594
Federal Agency Disc. -Amortizing	12,000,000.00	12,000,000.00	11,999,521.67	7.67	91	41	0.035	0.036
Local Agency Investment Funds	75,000,000.00	75,095,238.97	75,000,000.00	47.94	1	1	0.334	0.339
Investments	156,450,000.00	156,458,863.97	156,452,316.58	100.00%	598	53	0.423	0.429
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	35,812,984.85	35,812,984.85	35,812,984.85		1	1	0.000	0.000
Accrued Interest at Purchase		1,435.11	1,435.11					
Subtotal		35,814,419.96	35,814,419.96					
Total Cash and Investments	192,262,984.85	192,273,283.93	192,266,736.54		598	53	0.423	0.429

See Note 5 on page 10

Total Earnings	April 30 Month Ending	Fiscal Year To Date
Current Year	31,236.23	440,091.69
Average Daily Balance	145,166,539.80	146,037,459.53
Effective Rate of Return	0.26%	0.36%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak
 Patricia Jakubiak, Treasurer

5/7/21

Cash and Investments with GASB 31 Adjustment:

Book Value of Cash & Investments before GASB 31 (Above)	\$ 192,266,736.54
GASB 31 Adjustment to Books (See Note 3 on page 10)	\$ 362,803.09
Total	\$ 192,629,539.63

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Investments
April 30, 2021

See Note 1 on page 10

See Note 2 on page 10

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/Call 365	Days to Call/ Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	Federated Treasury Obligations		07/01/2020	0.00	0.00	0.00	0.010	0.010	1	
Subtotal and Average			24,698,523.26		0.00	0.00	0.00		0.000	0	
Federal Agency Coupon Securities											
3133EMLE0	1020	Federal Farm Credit Bank (Callable 6/22/2021)		12/23/2020	14,000,000.00	13,986,980.00	14,000,000.00	0.190	0.190	52	09/22/2023
3133EMWH1	1030	Federal Farm Credit Bank (Callable 4/21/2022)		04/22/2021	3,000,000.00	3,000,210.00	3,002,794.91	0.710	0.710	355	04/21/2025
3133EMXS6	1032	Federal Farm Credit Bank (Callable 7/28/2021)		04/28/2021	12,000,000.00	11,976,360.00	12,000,000.00	0.720	0.720	88	04/28/2025
3130ALNY6	1025	Fed Home Loan Bank (Callable 9/30/2021)		03/30/2021	8,000,000.00	7,999,120.00	8,000,000.00	0.550	0.822	152	09/30/2024
3130ALTJ3	1029	Fed Home Loan Bank (Callable 7/8/2021)		04/22/2021	9,435,000.00	9,425,281.95	9,435,000.00	0.375	0.375	68	04/08/2024
3130ALVR2	1031	Fed Home Loan Bank (Callable 7/23/2021)		04/23/2021	11,015,000.00	11,002,553.05	11,015,000.00	0.520	0.520	83	10/23/2024
3130AM6P2	1034	Fed Home Loan Bank (Callable 10/29/2021)		04/29/2021	12,000,000.00	11,973,120.00	12,000,000.00	1.000	1.000	181	04/29/2026
Subtotal and Average			30,668,674.15		69,450,000.00	69,363,625.00	69,452,794.91		0.594	112	
Federal Agency Disc. -Amortizing											
313385GT7	1024	Fed Home Loan Bank (Callable 6/11/2021)		03/12/2021	12,000,000.00	12,000,000.00	11,999,521.67	0.035	0.036	41	06/11/2021
Subtotal and Average			11,999,352.50		12,000,000.00	12,000,000.00	11,999,521.67		0.036	41	
Treasury Discounts -Amortizing											
Subtotal and Average			2,799,989.89								
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmt Fund			75,000,000.00	75,095,238.97	75,000,000.00	0.339	0.339	1	

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Cash
April 30, 2021

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Money Mkt Mutual Funds/Cash See Note 5 on page 10										
SYS10033	10033	Revolving Fund		07/01/2020	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2020	35,792,984.85	35,792,984.85	35,792,984.85		0.000	1
Average Balance			0.00	Accrued Interest at Purchase		1,435.11	1,435.11			1
				Subtotal		35,814,419.96	35,814,419.96			
Total Cash and Investments			145,166,539.80		192,262,984.85	192,273,283.93	192,266,736.54		0.429	53

Orange County Fire Authority

In Service of Others!



ORANGE COUNTY FIRE AUTHORITY
Aging Report
By Maturity Date
As of May 1, 2021

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value	
Aging Interval:	0 days	(05/01/2021 - 05/01/2021)	4 Maturities	0 Payments	110,812,984.85	57.68%	110,812,984.85	110,908,223.82
Aging Interval:	1 - 30 days	(05/02/2021 - 05/31/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	31 - 60 days	(06/01/2021 - 06/30/2021)	1 Maturities	0 Payments	12,000,000.00	6.24%	11,999,521.67	12,000,000.00
Aging Interval:	61 - 90 days	(07/01/2021 - 07/30/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	91 - 120 days	(07/31/2021 - 08/29/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	121 - 365 days	(08/30/2021 - 05/01/2022)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	(05/02/2022 - 04/30/2024)	2 Maturities	0 Payments	23,435,000.00	12.18%	23,435,000.00	23,412,261.95
Aging Interval:	1096 days and after	(05/01/2024 -)	5 Maturities	0 Payments	46,015,000.00	23.90%	46,017,794.91	45,951,363.05
			Total for	12 Investments	0 Payments	100.00	192,265,301.43	192,271,848.82



NOTES TO PORTFOLIO MANAGEMENT REPORT

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2020 includes an increase of \$368,460 to the LAIF investment and a decrease of (\$5,657) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.
- Note 5: As of April 30, 2021, the portfolio cash position is high due to \$12 million in pending investments.



Local Agency Investment Fund (LAIF)

As of April 30, 2021, OCFA has \$75,000,000 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of March 31, 2021 is 1.001269853. When applied to OCFA's LAIF investment, the fair value is \$75,095,239 or \$95,239 above cost. Although the fair value of the LAIF investment is higher than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at April 30, 2021 is included on the following page.



Orange County Fire Authority

Preliminary Investment Report

May 21, 2021



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
May 21, 2021

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

See Note 1 on page 19

See Note 2 on page 19

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Call/ Maturity	YTM/Call 360 Equiv.	YTM/Call 365 Equiv.
Federal Agency Coupon Securities	81,450,000.00	81,411,624.40	81,452,753.87	45.14	1,318	90	0.580	0.588
Federal Agency Disc. -Amortizing	24,000,000.00	23,999,040.00	23,998,773.38	13.30	120	84	0.028	0.028
Local Agency Investment Funds	75,000,000.00	75,095,238.97	75,000,000.00	41.56	1	1	0.334	0.339
	180,450,000.00	180,505,903.37	180,451,527.25	100.00%	612	52	0.404	0.410
Investments								
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	14,360,295.82	14,360,295.82	14,360,295.82		1	1	0.000	0.000
Accrued Interest at Purchase		1,435.11	1,435.11					
Subtotal		14,361,730.93	14,361,730.93					
Total Cash and Investments	194,810,295.82	194,867,634.30	194,813,258.18		612	52	0.404	0.410

Total Earnings	May 21 Month Ending	Fiscal Year To Date
Current Year	39,661.34	479,753.03
Average Daily Balance	189,207,918.52	148,826,935.34
Effective Rate of Return	0.36%	0.36%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak
 Patricia Jakubiak, Treasurer
 5/28/21

Cash and Investments with GASB 31 Adjustment:

Book Value of Cash & Investments before GASB 31 (Above)	\$ 194,813,258.18
GASB 31 Adjustment to Books (See Note 3 on page 19)	\$ 362,803.09
Total	\$ 195,176,061.27

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Investments
May 21, 2021

See Note 1 on page 19

See Note 2 on page 19

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/Call 365	Days to Call/ Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	Federated Treasury Obligations		07/01/2020	0.00	0.00	0.00	0.010	0.010	1	
Subtotal and Average			25,898,399.55		0.00	0.00	0.00		0.000	0	
Federal Agency Coupon Securities											
3133EMLE0	1020	Federal Farm Credit Bank (Callable 6/22/2021)		12/23/2020	14,000,000.00	13,988,800.00	14,000,000.00	0.190	0.190	31	09/22/2023
3133EMWH1	1030	Federal Farm Credit Bank (Callable 4/21/2022)		04/22/2021	3,000,000.00	2,993,760.00	3,002,753.87	0.710	0.710	334	04/21/2025
3133EMXS6	1032	Federal Farm Credit Bank (Callable 7/28/2021)		04/28/2021	12,000,000.00	12,000,240.00	12,000,000.00	0.720	0.720	67	04/28/2025
3130ALNY6	1025	Fed Home Loan Bank (Callable 9/30/2021)		03/30/2021	8,000,000.00	8,000,720.00	8,000,000.00	0.550	0.822	131	09/30/2024
3130ALTJ3	1029	Fed Home Loan Bank (Callable 7/8/2021)		04/22/2021	9,435,000.00	9,433,396.05	9,435,000.00	0.375	0.375	47	04/08/2024
3130ALVR2	1031	Fed Home Loan Bank (Callable 7/23/2021)		04/23/2021	11,015,000.00	11,013,788.35	11,015,000.00	0.520	0.520	62	10/23/2024
3130AM6P2	1034	Fed Home Loan Bank (Callable 10/29/2021)		04/29/2021	12,000,000.00	11,990,400.00	12,000,000.00	1.000	1.000	160	04/29/2026
3130AM6H0	1035	Fed Home Loan Bank (Callable 8/11/2021)		05/11/2021	12,000,000.00	11,990,520.00	12,000,000.00	0.550	0.550	81	10/11/2024
Subtotal and Average			75,738,487.70		81,450,000.00	81,411,624.40	81,452,753.87		0.588	90	
Federal Agency Disc. -Amortizing											
313313NC8	1036	Federal Farm Credit Bank		05/21/2021	12,000,000.00	11,999,040.00	11,999,006.71	0.020	0.021	149	10/18/2021
313385GT7	1024	Fed Home Loan Bank		03/12/2021	12,000,000.00	12,000,000.00	11,999,766.67	0.035	0.036	20	06/11/2021
Subtotal and Average			12,571,031.27		24,000,000.00	23,999,040.00	23,998,773.38		0.028	84	
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmt Fund			75,000,000.00	75,095,238.97	75,000,000.00	0.339	0.339	1	
Subtotal and Average			75,000,000.00		75,000,000.00	75,095,238.97	75,000,000.00		0.339	1	
Total and Average			189,207,918.52		180,450,000.00	180,505,903.37	180,451,527.25		0.410	52	

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Cash
May 21, 2021

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Money Mkt Mutual Funds/Cash										
SYS10033	10033	Revolving Fund		07/01/2020	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2020	14,340,295.82	14,340,295.82	14,340,295.82		0.000	1
Average Balance			0.00	Accrued Interest at Purchase		1,435.11	1,435.11			1
				Subtotal		14,361,730.93	14,361,730.93			
Total Cash and Investments			189,207,918.52		194,810,295.82	194,867,634.30	194,813,258.18		0.410	52

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ORANGE COUNTY FIRE AUTHORITY
Aging Report
By Maturity Date
As of May 24, 2021

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

					Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	(05/24/2021 - 05/24/2021)	4 Maturities	0 Payments	89,360,295.82	45.91%	89,360,295.82	89,455,534.79
Aging Interval:	1 - 30 days	(05/25/2021 - 06/23/2021)	1 Maturities	0 Payments	12,000,000.00	6.16%	11,999,790.00	12,000,000.00
Aging Interval:	31 - 60 days	(06/24/2021 - 07/23/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	61 - 90 days	(07/24/2021 - 08/22/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	91 - 120 days	(08/23/2021 - 09/21/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	121 - 365 days	(09/22/2021 - 05/24/2022)	1 Maturities	0 Payments	12,000,000.00	6.16%	11,999,020.04	11,999,040.00
Aging Interval:	366 - 1095 days	(05/25/2022 - 05/23/2024)	2 Maturities	0 Payments	23,435,000.00	12.02%	23,435,000.00	23,422,196.05
Aging Interval:	1096 days and after	(05/24/2024 -)	6 Maturities	0 Payments	58,015,000.00	29.76%	58,017,749.96	57,989,428.35
Total for			14 Investments	0 Payments		100.00	194,811,855.82	194,866,199.19



NOTES TO PORTFOLIO MANAGEMENT REPORT

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2020 includes an increase of \$368,460 to the LAIF investment and a decrease of (\$5,657) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.

GLOSSARY

INVESTMENT TERMS

Basis Point. Measure used in quoting yields on bonds and notes. One basis point is .01% of yield.

Book Value. This value may be the original cost of acquisition of the security, or original cost adjusted by the amortization of a premium or accretion of a discount. The book value may differ significantly from the security's current value in the market.

Commercial Paper. Unsecured short-term promissory notes issued by corporations, with maturities ranging from 2 to 270 days; may be sold on a discount basis or may bear interest.

Coupon Rate. Interest rate, expressed as a percentage of par or face value, that issuer promises to pay over lifetime of debt security.

Discount. The amount by which a bond sells under its par (face) value.

Discount Securities. Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity. Treasury bills, bankers' acceptances and most commercial paper are issued at a discount.

Effective Rate of Return. Rate of return on a security, based on its purchase price, coupon rate, maturity date, and the period between interest payments.

Federal Agency Securities. Securities issued by agencies such as the Federal National Mortgage Association and the Federal Farm Credit Bank. Though not general obligations of the US Treasury, such securities are sponsored by the government and therefore have high credit ratings. Some are issued on a discount basis and some are issued with coupons.

Federal Funds. Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed Funds are considered to be immediately available funds.

Fed Funds Rate. The interest rate charged by one institution lending federal funds to another.

Federal Open Market Committee. The branch of the Federal Reserve Board that determines the direction of monetary policy.

Local Agency Investment Fund (LAIF). A California State Treasury fund which local agencies may use to deposit funds for investment and for reinvestment with a maximum of \$75 million for any agency (*excluding bond funds, which have no maximum*). It offers high liquidity because

deposits can be converted to cash in 24 hours and no interest is lost. Interest is paid quarterly and the State's administrative fee cannot to exceed 1/4 of a percent of the earnings.

Market value. The price at which the security is trading and could presumably be purchased or sold.

Maturity Date. The specified day on which the issuer of a debt security is obligated to repay the principal amount or face value of security.

Money Market Mutual Fund. Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repurchase agreements and federal funds).

Par. Face value or principal value of a bond typically \$1,000 per bond.

Rate of Return. The amount of income received from an investment, expressed as a percentage. A *market rate of return* is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

Treasury Bills. Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes. Intermediate U.S. government debt securities with maturities of one to 10 years.

Treasury bonds. Long-term U.S. government debt securities with maturities of 10 years or longer.

Yield. Rate of return on a bond.

Yield-to-maturity. Rate of return on a bond taking into account the total annual interest payments, the purchase price, the redemption value and the amount of time remaining until maturity.

ECONOMIC TERMS

Conference Board Consumer Confidence Index. A survey that measures how optimistic or pessimistic consumers are with respect to the economy in the near future.

Consumer Price Index (CPI). A measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. Changes in CPI are used to assess price changes associated with the cost of living.

Durable Goods Orders. An economic indicator released monthly that reflects new orders placed with domestic manufacturers for delivery of factory durable goods such as autos and appliances in the near term or future.

Gross Domestic Product. The monetary value of all the finished goods and services produced within a country's borders in a specific time period. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

Industrial Production. An economic indicator that is released monthly by the Federal Reserve Board. The indicator measures the amount of output from the manufacturing, mining, electric and gas industries.

ISM Institute for Supply Management (ISM) Manufacturing Index. A monthly index that monitors employment, production inventories, new orders and supplier deliveries.

ISM Non-manufacturing Index. An index based on surveys of non-manufacturing firms' purchasing and supply executives. It tracks economic data for the service sector.

Leading Economic Index. A monthly index used to predict the direction of the economy's movements in the months to come. The index is made up of 10 economic components, whose changes tend to precede changes in the overall economy.

National Federation of Independent Business Small Business Optimism Index. An index based on surveys of small business owners' plans and expectations regarding employment, capital, inventories, economic improvement, credit conditions, expansion, and earnings trends in the near term or future.

Producer Price Index. An index that measures the average change over time in the selling prices received by domestic producers for their output.

University of Michigan Consumer Sentiment Index. An index that measures the overall health of the economy as determined by consumer opinion. It takes into account an individual's feelings toward his or her own current financial health, the health of the economy in the short term and the prospects for longer term economic growth.



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
June 24, 2021

Agenda Item No. 2C
Consent Calendar

Annual Renewal of General Liability Insurance

Contact(s) for Further Information

Rhonda Haynes, Risk Manager

rhondahaynes@ocfa.org

714.573.6833

Summary

This annual agenda item is submitted for authorization to renew the Orange County Fire Authority's (OCFA) General Liability Insurance Program coverage with the Fire Agencies Insurance Risk Authority (FAIRA).

Prior Board/Committee Action(s)

Not Applicable.

RECOMMENDED ACTION(S)

Approve and authorize the Fire Chief, or his designee, to renew the General Liability Insurance Program coverage with the Fire Agencies Insurance Risk Authority (FAIRA) for the policy period from July 1, 2021, to July 1, 2022, for a premium amount of \$2,270,000.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Funding is included in FY 2021/22 Budget.

Background

Formed in 1989, FAIRA is a joint powers public agency which provides pooled group insurance to over 100 fire districts in California and Nevada. The OCFA has been a member of FAIRA since 1995 and holds a seat on FAIRA's Board of Directors. On behalf of the OCFA, FAIRA purchases general liability, property, automobile, management liability, portable equipment, crime, cyber liability, healthcare liability, garage keepers, and excess liability coverages.

The expiring 2020/21 policy premium of \$1,169,408 is inclusive of primary general liability insurance coverage of \$1M per occurrence and excess liability insurance coverage of \$10M per occurrence. The total renewal premium for 2021/22 is \$2,270,000 or a 94% increase over the expiring premium. The premium increase is primarily due to the FAIRA pool experiencing above average losses in employment liability claims, the general hardening of the current insurance market, COVID-19, and the natural consequence of growing our organization, vehicle fleet, fire stations, and personnel. 2021/22 policy coverages are listed on the subsequent page.

Attachment(s)

FAIRA General Liability Insurance Program Coverage Summary

FAIRA GENERAL LIABILITY INSURANCE PROGRAM

Coverage Summary

Insurance Company: Allied World Assurance Company

A.M. Best Rating: Financial strength “A”, Credit rating “a+”

Policy Period July 1, 2021 to July 1, 2022

Property

Real Property (Building)	Guaranteed Replacement Cost
Personal Property (Contents)	Per Schedule on file with the Carrier
Deductible	Between \$1,000 and \$5,000

Crime

Employee Dishonesty	\$1,000,000
Forgery or Alteration	\$1,000,000
Faithful Performance of Duty	\$1,000,000
Computer Fraud	\$1,000,000
Deductible	\$1,000

Portable Equipment

Valuation	Guaranteed Replacement Cost
Deductible	\$1,000

General Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Fire Damage Legal Liability	\$1,000,000
Medical Expense (each accident)	\$10,000
Garage Keepers Liability	\$500,000
General Annual Aggregate	\$10,000,000

Management Liability

Each Wrongful Act	\$1,000,000/\$10,000,000 General Annual Aggregate
Defense Expense Injunctive Relief	\$50,000
Deductible Each Wrongful Act	\$250,000
Defense Costs Outside of Limits	

Automobile

Bodily Injury or Property Damage	\$1,000,000
Uninsured/Underinsured Motorist	\$1,000,000
Automobile Physical Damage	ACV for Passenger Vehicles, Agreed Value for Apparatus
Deductible	\$1,000 Passenger Vehicles, \$5,000 Apparatus

Cyber Liability:

First Party Liability	\$100,000
Third Party Liability	\$1,000,000

Umbrella (Excess) Liability

Each Occurrence	\$9,000,000
General Annual Aggregate	\$19,000,000



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
June 24, 2021

Agenda Item No. 2D
Consent Calendar

**Annual Renewal of California State Association of Counties Excess
Insurance Authority Workers' Compensation Excess Insurance**

Contact(s) for Further Information

Rhonda Haynes, Risk Manager

rhondahaynes@ocfa.org

714.573.6833

Summary

This annual agenda item is submitted for authorization to renew the workers' compensation excess insurance coverage with Public Risk Innovation, Solutions, and Management (PRISM). It was formerly known as the California State Association of Counties Excess Insurance Authority (CSAC-EIA).

Prior Board/Committee Action(s)

Not Applicable.

RECOMMENDED ACTION(S)

Approve and authorize the Fire Chief, or his designee, to bind workers' compensation excess insurance coverage with the California State Association of Counties Excess Insurance Authority for the policy period July 1, 2021, to July 1, 2022, with a premium of \$682,000.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Sufficient funds are included in the FY 2021/22 Budget.

Background

The Workers' Compensation Self-insurance Program uses excess insurance as a stop loss for losses over self-insured retention (SIR) limit of \$2,000,000. The Orange County Fire Authority (OCFA) is responsible for the losses of up to \$2,000,000 per incident, with the excess insurer responsible for costs that exceed that amount. The workers' compensation excess insurance coverage limit is statutory. The excess insurance coverage limit is Part 1 of the workers' compensation policy and covers the medical costs and lost wages for work-related injuries or illnesses. Employer's liability is Part 2 of the workers' compensation policy. It protects against lawsuits for employment-related injuries or illnesses filed by employees, the family of the employee, or other third parties. For example, a lawsuit alleging that a workers' compensation claim is due to negligence on the employer's part is covered under Part 2 with a limit of liability of \$5,000,000.

The PRISM membership includes 93% of the counties, over 80% of the cities, and numerous school districts, special districts, housing authorities, fire districts, and other joint powers authorities in California. OCFA has been a member of PRISM (formerly CSAC-EIA) since 2007.

PRISM purchases excess workers' compensation insurance on behalf of OCFA and the other members of the pool.

The FY 2021/22 premium of \$682,000 is \$73,125 or 12% more than the expiring FY 2020/21 premium of \$608,875. The premium increase is due to several factors, including 1) increase in estimated payroll for the policy year; 2) payroll adjustment for previous policy year; 3) fewer carriers willing to offer workers' compensation excess insurance to the public safety sector; and 4) PRISM creating two new public safety rating groups with increased rates that were phased-in over three years. OCFA is included in the high safety rating group since over 40% of our payroll is attributable to safety personnel.

OCFA has received significant savings in workers' compensation through PRISM, considering the current hardened insurance market.

Attachment(s)

1. OCFA Annual Excess Workers' Compensation Premiums
2. PRISM Excess Workers' Compensation Coverage Summary

Orange County Fire Authority
Annual Excess Workers' Compensation Premiums

Fiscal Year	Prior Carrier ACE Am Ins	Current Carrier PRISM (formerly CSAC EIA)
2006/07	\$632,444	
2007/08		\$176,773
2008/09		\$166,960
2009/10		\$159,374
2010/11		\$175,000
2011/12		\$201,863
2012/13		\$223,017
2013/14		\$220,173
2014/15		\$232,655
2015/16		\$222,614
2016/17		\$305,381
2017/18		\$345,000
2018/19		\$468,000
2019/20		\$560,479
2020/21		\$608,875
2021/22		\$682,000

PRISM EXCESS WORKERS' COMPENSATION COVERAGE SUMMARY

Insurance Company:	Great American Insurance, ACE American Insurance Company, and Liberty Mutual
A.M. Best Rating:	A+; XV Great American Insurance A++; XV ACE American Insurance Company A; XV Liberty Mutual
Policy Period:	July 1, 2021 to July 1, 2022
Coverage Provided:	Workers' Compensation Excess Insurance and Employers' Liability
Major Exclusions:	Punitive or exemplary damages, fines or penalties, any payments in excess of the benefits regularly provided by the Workers' Compensation law, Labor Code 4850 benefits
Limits:	
Workers' Compensation	Statutory
Employer's Liability	\$5,000,000; \$45,000,000; Statutory
Retention:	
Self-insured Retention	\$2,000,000 per occurrence



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
June 24, 2021

Agenda Item No. 2E
Consent Calendar

**Temporary Contract Extension – Security Guard Services for the
Regional Fire Operations and Training Center**

Contact(s) for Further Information

Jim Ruane, Assistant Chief jimruane@ocfa.org 714.573.6028
Logistics Department

Patrick Bauer, Property Manager patrickbauer@ocfa.org 714.573.6471
Logistics Department

Rhonda Haynes, Risk Manager rhondahaynes@ocfa.org 714.573.6833

Summary

This agenda item seeks approval to extend the existing agreement with Allied Universal Security for physical security services at RFOTC through January 31, 2022. The extension will provide sufficient time to complete the Request for Proposals process currently underway, establish a new contract, and transition to proposed changes to the scope of work being performed under the current contract.

Prior Board/Committee Action

On June 18, 2015, the Executive Committee approved the award of RFP DC2011 for 24-hour security guard services to Universal Protection Services in an amount not to exceed \$458,679 for the initial three-year term.

On June 28, 2018, the Executive Committee approved the Purchasing Manager to exercise two one-year renewal options with Allied Universal Security Services in an aggregate amount not to exceed \$345,800.

On May 28, 2020, the Executive Committee approved the Purchasing Manager to increase and extend the agreement with Allied Universal Security Services through June 30, 2021, for an aggregate amount not to exceed \$428,844.

RECOMMENDED ACTION(S)

Approve and authorize the Purchasing Manager to execute Amendment Number Three to the Professional Services Agreement with Allied Universal Security Services to extend the Agreement through January 31, 2022, in an amount not to exceed \$121,299.78 (\$17,328.54 per month).

Impact to Cities/County

Not Applicable.

Fiscal Impact

Funds are included in the General Fund budget, specifically in the Risk Management Division's budget for professional services.

Background

Original Agreement

In July 2015, OCFA entered into an agreement with Universal Protection Services to provide 24-hour site security for the Regional Fire Operations and Training Center (RFOTC). Universal Protection Services was the top-ranked firm in RFP DC2011 and has since merged with AlliedBarton to form Allied Universal Security Services.

The security guard service was established following an RFOTC Security Vulnerability Assessment conducted by security consultants Secure Strategies International, LLC. The security consultants recommended that security guard services cover 24-hours, 7 days a week, which the OCFA implemented and has maintained to date.

Security Services RFP for Replacement Contract

On March 22, 2021, RFP RO2480a for Physical Security Services at RFOTC was issued to allow consideration of proposals in advance of the June 30, 2021 expiration of the existing security guard services contract. The RFP scope of services incorporated recommendations from the Physical Security Assessment report issued by an OCFA staff security advisory panel in June 2020. The panel's assessment considered a Threat and Vulnerability Assessment of the RFOTC campus prepared by Security Strategies International, and a Physical Security Assessment completed by the Orange County Intelligence Assessment Center. To address the panel's recommendations, the issued RFP called for providing a dedicated security manager together with security guard services. In addition, the RFP requested that proposals include options for providing either unarmed guards at RFOTC, or to transition to post armed guards.

Currently, staff is in the process of evaluating proposals from the shortlisted firms among a total of 16 that submitted proposals. The evaluations are considering the shortlisted firms' qualifications and recommendations for transitioning from the current unarmed guard services at RFOTC to posting at least one of the two simultaneous on-duty guards, or both, as armed personnel. Each shortlisted firm recommended that OCFA at least consider use of armed personnel for posting at RFOTC, and each firm is currently providing comparable armed guard services for other public agency clients.

The shortlisted firms identified a transition period of up to four months to ensure that qualified guard personnel (armed or unarmed) and/or a dedicated security manager could be identified, trained, and assigned to RFOTC. Authorization and approval for award of a replacement multi-year physical security services contract is anticipated to be presented to the Board of Directors for consideration at their July 22, 2021 meeting.

Recommendation

In order to provide continued security services during the RFP evaluation process and possible transition period, staff is seeking approval to extend the existing agreement with Allied Universal Security Services, through January 31, 2021 in an amount not to exceed \$121,299.78.

Attachment(s)

Proposed Amendment Number Three to the Professional Services Agreement with Allied Universal Security Services

**ORANGE COUNTY FIRE AUTHORITY
AMENDMENT NUMBER THREE
TO PROFESSIONAL SERVICES AGREEMENT**

THIS AMENDMENT NUMBER THREE TO PROFESSIONAL SERVICES AGREEMENT ("Amendment Three") is made and entered into this __ day of June, 2021, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Universal Protection Service, LP, doing business as Allied Universal Security Services, hereinafter referred to as "Firm". OCFA and Firm are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as "Parties".

RECITALS

WHEREAS, OCFA and Firm entered into that certain Professional Services Agreement ("Original Agreement") dated June 8, 2015 for security guard services; which is incorporated herein by this reference; and,

WHEREAS, OCFA and Firm entered into that certain Amendment Number One to the Professional Services Agreement on June 28, 2018 ("Amendment One"), to extend the term of the Agreement for two additional years through June 30, 2020; and,

WHEREAS, OCFA and Firm entered into that certain Amendment Number Two to the Professional Services Agreement ("Amendment Two") on May 28, 2020 to increase the total contract value and extend the term of the Agreement for an additional twelve (12) month period through June 30, 2021; and,

WHEREAS, the Original Agreement, as amended by Amendment One and Amendment Two is referred to herein as the "Agreement"; and,

WHEREAS, Firm has submitted to OCFA a rate proposal dated June 10, 2021 for the period beginning July 1, 2021, a copy of which is attached hereto as Attachment "1" and is incorporated herein by this reference; and,

WHEREAS, OCFA and Firm desire to extend the Agreement for an additional period through January 31, 2022 subject to the terms and conditions set forth herein.

NOW THEREFORE, OCFA and the Firm mutually agree to amend the Agreement as follows:

AGREEMENT

1. **Incorporation of Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **Compensation of Firm: Section 3.1.** For services rendered pursuant to the Agreement between July 1, 2021 and January 31, 2022, Firm shall be compensated and reimbursed, in accordance with the pricing set forth in Exhibit "B", in an amount not to exceed \$207,942.45 annually.
3. **Term: Section 4.4.** The Agreement shall continue in full force and effect until January 31, 2022, unless earlier terminated in accordance with Section 8.5 or 8.6 of the Agreement.
4. **Exhibit B.** The 2021 Security Budget dated June 10, 2021, a copy of which is attached to this Amendment Three as Attachment "1" is hereby appended to and made a part of the Agreement as Exhibit "B".
5. **Same Terms and Conditions.** Except as modified above, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.
6. **Corporate Authority.** The persons executing this Amendment Three on behalf of the Parties hereto warrant that they are duly authorized to execute this amendment on behalf of said Parties and that by so executing this Amendment Three the Parties are formally bound by the provisions of this Amendment Three.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment Three as of the dates stated below.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Sara Kennedy, CPPB
Purchasing Manager

APPROVED AS TO FORM.

ATTEST:

By:  (for)

DAVID E. KENDIG
GENERAL COUNSEL

Maria Huizar
Clerk of the Board

Date: _____

"FIRM"

**ALLIED UNIVERSAL SECURITY
SERVICES**

Date: _____

By: _____

Steve Claton
Regional President Southwest

Date: _____

By: _____

Chris Bailey
Senior Regional Vice President

Attachment "1"

2021 SECURITY BUDGET

Orange County Fire Authority

1 Fire Authority Road

Irvine, CA

Thursday, June 10, 2021

1. **REQUIREMENT:** Provide unarmed, uniformed professional security officers who are capable of exercising good judgment, will be highly visible at all times, deter crime, and perform other duties as outlined by the client.

2. **SCHEDULE:**

SHIFT	FRI	SAT	SUN	MON	TUE	WED	THUR
8am-4pm	PC	1 Officer	1 Officer	PC	PC	PC	PC
4pm-12am	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer
12am-8am	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer	1 Officer

3. **BUDGET ESTIMATE:**

STAFF POSITION	WEEKLY HOURS	BILL RATE	HOLIDAY& OT RATE	MONTHLY	ANNUALLY
Post Commander	40	\$24.99	\$37.49	\$4,384.91	\$52,618.94
Security Officers	128	\$22.79	\$34.18	\$12,793.63	\$153,523.51
Sub Total (Labor)	168			\$ 17,178.54	\$206,142.45
Grand Total (incl. Equipment)				\$ 17,328.54	\$207,942.45

WAGE RATE
\$17.00
\$15.50

Notes:

- a) Extra coverage and specials are billed at \$34.18 Per Hour.
- b) As a result of California paid sick leave Law (AB 1522) that is effective July 1, 2015, all costs associated with the law will be billed as incurred.
- c) Allied Universal may bill any costs incurred as a result of change in federal, state, or local legislation or taxes.

4. **EQUIPMENT:**

	UNIT PRICE	QUANTITY	MONTHLY	ANNUALLY
CyCop/Cell Phone	\$ 150.00	1	\$150.00	\$1,800.00
			\$0.00	\$0.00
Total			\$150.00	\$1,800.00

5. **HOLIDAYS:** Allied Universal recognizes the following holidays. Security officers working on these days will be paid time and one-half. Client will be billed at the overtime rate/holiday rate for those days.

New Years Day
Independence Day

President's Day
Labor Day

Memorial Day
Thanksgiving Day

Christmas Day



Client Approval

Name: _____

Signature: _____

Title: _____

Date: _____



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
June 24, 2021

Agenda Item No. 2F
Consent Calendar

June Legislative Report

Contact(s) for Further Information

Robert Cortez, Assistant Chief Business Services Department	robertcortez@ocfa.org	714.573.6012
Jay Barkman, Legislative Analyst	jaybarkman@ocfa.org	714.573.6048

Summary

This item is submitted for an update on legislative activities and recommended positions on bills consistent with the 2021-22 Legislative Platform.

Prior Board/Committee Action

Not Applicable.

RECOMMENDED ACTION(S)

Receive and file update and recommended bill positions consistent with the 2021-22 Legislative Platform.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

California Update

The legislature has adopted a State budget to meet the constitutionally required deadline of June 15, 2021. It is expected there will be ongoing negotiations with the Governor as they approach the July 1, 2021 start of the new fiscal year. The budget passed by Legislators includes \$1 billion from the General Fund for wildfire prevention. A significant amount of these funds is dedicated to CALFIRE. As a contract county protecting State Responsibility Areas, OCFA will likely see some funding increases. Details will be provided over the coming months by CALFIRE as they begin allocating these funds to their operating units.

The state budget also includes \$100 million for COVID-19 assistance to “independent special districts.” Staff has consulted with our general counsel to determine if OCFA as a recipient of Structural Fire Funds may qualify. Currently, we are still reviewing details of the language. The state funding is intended to assist special districts who did not receive direct federal financial assistance as cities and counties received. OCFA was not a recipient of direct COVID-19 assistance. However, the City of Santa Ana allocated a share of its federal funds (\$30,000) to reimburse OCFA for eligible COVID-19 related costs in their city.

Federal Update

OCFA is continuing to advocate for increased federal support of the National Urban Search and Rescue System. As the sponsoring agency for California Task Force-5, we receive approximately \$1.6 million annually to maintain the federal cache of equipment for deployment to federally declared disasters. In support of this effort, we recently hosted Representative Katie Porter (D-Irvine) for a tour of our US&R Warehouse in Lake Forest. We will be extending invitations to other members of federal delegation as they approach their summer district work period.

OCFA's federal lobbyist firm Holland & Knight has provided the below information about the Biden Administration's federal budget proposals related to OCFA.

On May 28, President Biden unveiled his FY 2022 budget request for federal spending in fiscal year (FY) 2022, which serves as a fiscal blueprint for the administration's policy priorities and signals to Congress what the White House hopes to accomplish over the coming years. The budget proposes increases for a variety of cyber-oriented agencies and accounts, and comes amid numerous digital security crises. With the release of the president's full budget, Congress will now begin drafting its annual spending bills. The House appropriations subcommittees are expected to begin the process of voting on FY 2022 spending bills on June 24, with full committee votes held June 29 through July 16. Voting in the Senate is expected to begin the following month.

Department of Homeland Security Budget Highlights

- The Department of Homeland Security's FY 2022 budget request is \$52.2 billion, nearly equal to the FY 2021 enacted level of \$51.9 billion. The budget seeks to shift resources away from the border wall and toward beefing up the nation's cybersecurity capabilities.
- The FY 2022 budget includes \$28.4 billion in total gross budget authority for FEMA. This funding level represents an increase of \$1.9 billion above the FY 2021 enacted budget. However, there were some decreases in programs as noted below. DHS noted the reductions for UASI & SHSGP represent a continued commitment to streamline programs, reduce duplication, and ensure State and local governments pay for activities which are their primary responsibilities.
 - Assistance to Firefighter Grants – proposed \$370 million, \$10 million increase over FY 2021 enacted
 - SAFER Grants – proposed \$370 million, \$10 million increase over FY 2021 enacted
 - UASI – proposed \$689.6 million, a decrease of about \$15 million from the FY 2021 enacted level of \$705 million
 - State Homeland Security Grant Program – \$594.6 million proposed, a decrease of about \$15 million from the FY 2021 enacted level of \$610 million
 - Urban Search & Rescue – \$37.83 million, level funding from the past three years of enacted funding
- \$19 million to ensure the readiness of FEMA's incident response workforce.

Attachment(s)

June 2021 Legislative Review



Orange County Fire Authority
Legislative Review

June 2021

The Legislative Section has identified the bills listed below for review and tracking consistent with the 2021-2022 Legislative Platform adopted by the Board. This is the first year of the two-year legislative session. Bills that have not passed their house of origin are identified as “2-year bills” which may be considered next year by the assigned committees.

Click on bill author/title to follow link to text, history of votes, and status.

[AB 905 \(Quirk\) Mobile Fueling](#)

Status: Assembly Transportation Committee (2-year bill)

Recommended Position: Monitor

This bill requires the State Air Resources Board to regulate on-demand mobile fueling as a “mobile source.” The bill authorizes enforcement and fees for implementing these regulations. The bill has been referred to two committees for review, Assembly Transportation and Assembly Natural Resources. Our Community Risk Reduction Department has identified this bill based on its potential to facilitate a new and growing industry.

[AB 968 \(Frazier\) Wildfire Resilience](#)

Status: Assembly Natural Resources Committee (2-year bill)

Recommended Position: Monitor

This bill requires the Natural Resources Agency to research and provide recommendations for a community to be recognized as wildfire resilient. The bill appropriates \$2 million to undertake a “science-supported” process to certify a community as wildfire resilient.

[AB 969 \(Frazier\) Wildfire Technology](#)

Status: Assembly Natural Resources Committee (2-year bill)

Recommended Position: Monitor

This bill requires the Natural Resources Agency to provide technological support to community organizations for wildfire risk reduction and resilience. The bill appropriates \$5 million for implementation.

[AB 1497 \(Frazier\) Fireworks](#)

Status: Assembly Governmental Organization Committee (2-year bill)

Recommended Position: Monitor

This bill increases existing fines for possession of a “dangerous” firework depending on whether it is a first or subsequent offense. For example, a first possession offense currently ranges from \$500 to \$1,000, and this bill increases that to \$1,000 to \$2,500. The bill does not address any issues related to the storage and disposal of seized fireworks, which is an ongoing issue for local and state agencies tasked with enforcement.

SB 63 (Stern) Vegetation Management

Status: Assembly Natural Resources Committee

Recommended Position: Monitor

This bill requires CALFIRE to identify areas of the state as “moderate and high fire hazard” in addition to current very high fire hazard severity. The bill also requires additional information be added to current model defensible space guidelines, and it requires the State Fire Marshal to pursue expanding building standards to “moderate and high fire hazard” zones. The bill modifies an existing grant program for “fire prevention” to include “home hardening education” activities to improve resiliency. The bill includes projects such as vegetation management along roadways, public education, and reducing flammability of structures caused by wind-driven embers. The bill recently passed the Senate and moved to the Assembly.

SB 95 (Skinner) COVID-19 Supplemental Sick Leave

Status: Signed into law on March 19, 2021.

Recommended Position: Not applicable

In 2020, federal law the Families First Coronavirus Response Act required supplemental sick leave be provided to employees due to specified reasons related to COVID-19. The recent passage of the American Rescue Plan has extended these benefits to include experiencing symptoms due to the vaccine. This bill implements those federal provisions with a new deadline of September 30, 2021.

AB 324 (Choi) Attic Vent Tax Credit

Status: Assembly Revenue and Taxation Committee (2-year bill)

Recommended Position: Support

Provides a tax credit for property owners that install an attic vent, in an amount equal to 40% of the qualified costs paid or incurred by the qualified taxpayer for that installation.

AB 389 (Grayson) Ambulance Service

Status: Passed Assembly pending Senate committee assignment

Recommended Position: Monitor

This bill is sponsored by Contra Costa County in an effort to codify their existing “Alliance Model” used for ambulance transport. The bill authorizes a county and fire protection district to subcontract with a private ambulance service. CALCHIEFS has adopted a position of Support if amended and OCFA is tracking for ongoing review by our EMS Department if needed.

AB 1107 (Horvath) Emergency Ground Medical Transportation

Status: Assembly Health Committee (2-year bill)

Recommended Position: Monitor

This bill requires any health care service plan or health insurance policy that offers ground transportation to include those services as “in-network” costs and pay at contracted rates. This will apply to any plan or policy issued, amended, or renewed after January 1, 2022.

SB 109 (Dodd) Office of Wildfire Technology Research and Development

Status: Assembly Emergency Management Committee

Recommended Position: Monitor

This bill establishes the Office of Wildfire Technology Research and Development under the Office of Emergency Services. The office will be responsible for studying, testing, and advising regarding procurement of emerging technologies and tools in order to more effectively prevent and suppress wildfires. Senator Dodd has authored several bills related to wildfires and been active in this area due to the significant impact of wildfires to communities in his district (Sonoma, Napa, and Vacaville).

SB 278 (Leyva) PERS Disallowed Compensation

Status: Assembly Public Employment and Retirement Committee

Recommended Position: Monitor

This bill applies to CalPERS members, but we have identified it in case similar legislation is introduced or amendments are made to expand this to 1937 Act Systems. The bill establishes a new process for reviewing and adjusting benefits of a retiree when their compensation is found to have been based on disallowed compensation. With respect to active members (employed) an employer would be required to credit and return contributions made on behalf of the member. The bill is being tracked by the Orange County Employees Retirement System.