



# ORANGE COUNTY FIRE AUTHORITY

## AGENDA

Pursuant to the Brown Act, this meeting also constitutes a meeting of the Board of Directors.

### EXECUTIVE COMMITTEE

#### REGULAR MEETING

Thursday, February 19, 2015

6:00 P.M.

**Regional Fire Operations and Training Center**

**Board Room**

1 Fire Authority Road

Irvine, CA 92602

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action or discussion shall be taken on any item not appearing on the following Agenda. Unless legally privileged, all supporting documents, including staff reports, and any writings or documents provided to a majority of the 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 Sherry A.F. Wentz, Clerk of the Authority, at (714) 573-6040 Monday through Thursday, and every other Friday from 8 a.m. to 5 p.m. and available online at <http://www.ocfa.org>

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



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

### CALL TO ORDER

INVOCATION by OCFA Chaplain Warren Johnson

PLEDGE OF ALLEGIANCE by Director Shawver

### ROLL CALL

**1. PRESENTATIONS**

No items.

**PUBLIC COMMENTS**

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

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

The Agenda and Minutes are now available through the Internet at [www.ocfa.org](http://www.ocfa.org). You can access upcoming agendas on the Monday before the meeting. The minutes are the official record of the meeting and are scheduled for approval at the next regular Executive Committee meeting.

**REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR****REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR****FIRE CHIEF'S REPORT****2. MINUTES****A. Minutes from the January 15, 2015, Regular Executive Committee Meeting**

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

**3. 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. Monthly Investment Reports**

Submitted by: Patricia Jakubiak, Treasurer

Recommended Action:

Receive and file the reports.

**B. Second Quarter Financial Newsletter**

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

Recommended Action:

Receive and file the report.

**C. Blanket Order Contract Renewals – Service Center**

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

Recommended Action:

Approve and authorize the Purchasing Manager to renew, increase and extend the blanket orders as recommended for LN Curtis & Sons, Compressed Air Specialties, and Allstar Fire Equipment contracts for up to three additional years.

**D. Blanket Order Contract Renewal – Purchasing**

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

Recommended Action:

Approve and authorize the Purchasing Manager to renew and extend the blanket order with Planet Bids for up to three additional years for a not to exceed aggregate amount of \$64,735.

**E. Blanket Order Contract Increase and Renewal – Air Operations**

Submitted by: Dave Thomas, Assistant Chief/Operations Department

Recommended Action:

Approve and authorize the Purchasing Manager to increase the blanket order for Jet-A fuel with Defense Finance and Accounting Services by \$60,000 and extend the term of the contract for three years through January 9, 2018, at \$200,000 annually.

**F. Blanket Order Contract Renewals – Property Management**

Submitted by: Mike Schroeder, Assistant Chief/Support Services Department

Recommended Action:

Approve and authorize the Purchasing Manager to renew and extend the blanket orders as recommended for Riddle Appliance, Fire Station Outfitters, and Mitsubishi Electric & Electronics USA contracts for up to three additional years.

**G. Blanket Order Contract Increases and Renewals – Fleet Services**

Submitted by: Mike Schroeder, Assistant Chief/Support Services Department

Recommended Actions:

1. Approve and authorize the Purchasing Manager to increase the blanket order with Parkhouse Tire, Inc. by \$50,000 for a total not to exceed amount of \$308,700 annually and extend the contract for up to two additional years.
2. Approve and authorize the Purchasing Manager to renew the final blanket order contract renewal with Valley Power Systems in the amount not to exceed \$100,000.
3. Approve and authorize the Purchase Manager to renew the blanket order contracts for Ford repair services and parts with Worthington Ford, Elite Automotive Services, and Tuttle Click Capistrano Ford for up to three additional years; and authorize the Purchasing Manager to redistribute or adjust funding between the three contracts as requested by the department so long as the aggregate amount does not exceed \$100,000 annually.

**H. Sole Source Blanket Order Contract Renewals – Information Technology**

Submitted by: Mike Schroeder, Assistant Chief/Support Services Department

Recommended Actions:

1. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with ESRI for three additional years for a not to exceed amount of \$75,000 annually.
2. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Deccan for up to three years at a cost of \$29,882 in year one subject to a seven percent increase in years two and three.
3. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Hospital Association of Southern California to extend this sole source contract for three additional years for a not to exceed amount of \$3,910 annually.

**I. Award of Bid RO1999 - Dell Network Storage Hardware**

Submitted by: Mike Schroeder, Assistant Chief/Support Services Department

Recommended Action:

Approve and authorize the Purchasing Manager to issue a purchase order to Dell, Inc. in the amount of \$152,854.28 (including tax and shipping) for the purchase of network storage hardware.

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

Submitted by: Jeremy Hammond, Human Resources Director

Recommended Action:

Approve and authorize the Purchasing Manager to extend the blanket order terms Universal Protection Services (BO1283) for two additional months through June 30, 2015.

**END OF CONSENT CALENDAR**

**4. DISCUSSION CALENDAR**

No items.

**COMMITTEE MEMBER COMMENTS**

**CLOSED SESSION**

No items.

**ADJOURNMENT** – The next regular meeting of the Executive Committee is scheduled for Thursday, March 19, 2015, at 6:00 p.m.

**AFFIDAVIT OF POSTING**

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted in the lobby and front gate public display case of the Orange County Fire Authority, Regional Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 11<sup>th</sup> day of February 2015.

---

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

**UPCOMING MEETINGS:**

Board of Directors Meeting	Thursday, February 26, 2015, 6:00 p.m.
Human Resources Committee Meeting	Tuesday, March 3, 2015, 12:00 noon
Budget and Finance Committee Meeting	Wednesday, March 11, 2015, 12:00 noon
Claims Settlement Committee Meeting	Thursday, March 19, 2015, 5:30 p.m.
Executive Committee Meeting	Thursday, March 19, 2015, 6:00 p.m.



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Executive Committee Meeting**  
**February 19, 2015**

**Agenda Item No. 1**  
**Presentations**

---

There are no items for Section 1  
**PRESENTATIONS.**

# MINUTES ORANGE COUNTY FIRE AUTHORITY

**Executive Committee Regular Meeting  
Thursday, January 15, 2015  
6:00 P.M.**

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

---

## **CALL TO ORDER**

A regular meeting of the Orange County Fire Authority Executive Committee was called to order on January 15, 2015, at 6:04 p.m. by Chair Murray.

## **INVOCATION**

Chaplain Jeff Hetschel offered the invocation.

## **PLEDGE OF ALLEGIANCE**

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

## **ROLL CALL**

**Present:** Noel Hatch, Laguna Woods  
Gene Hernandez, Yorba Linda  
Jeffrey Lalloway, Irvine  
Jerry McCloskey, Laguna Niguel  
Al Murray, Tustin  
David Shawver, Stanton  
Todd Spitzer, County of Orange  
Beth Swift, Buena Park

**Absent:** None

## **Also present were:**

Fire Chief Jeff Bowman	Deputy Chief Craig Kinoshita
Assistant Chief Lori Zeller	Assistant Chief Lori Smith
Assistant Chief Brian Young	Assistant Chief Dave Thomas
Assistant Chief Mike Schroeder	General Counsel David Kendig
Communications Director Sandy Cooney	Clerk of the Authority Sherry Wentz
Human Resources Director Jeremy Hammond	

## **1. PRESENTATIONS**

There were no items for Presentation.

## **PUBLIC COMMENTS**

Chair Murray opened the Public Comments portion of the meeting. Chair Murray closed the Public Comments portion of the meeting without any comments.

## **REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR**

Budget and Finance Committee Chair McCloskey reported at its January 14, 2015, meeting, the Committee voted unanimously to appoint Sam Allevato as Vice Chair and himself as Chair of the Committee, received the quarterly status update on the Orange County Employee's Retirement System, and approved the Internal Control Review of Capital Assets and Inventory Control Independent Auditors' Report on Procurement/Disbursement Practices. The Committee reviewed the Monthly Investment Reports and the proposed Updated Broker/Dealer List and voted unanimously to direct staff to place these items on the agenda for the Executive Committee meeting of January 15, 2015, with the recommendation that the Executive Committee receive and file the reports. The Committee reviewed the FY2014/15 Mid-Year Financial Report and the 2015 Grant Priorities and voted unanimously to direct staff to place these items on the agenda for the Board of Directors meeting of January 22, 2015, with the recommendation that the Board of Directors approve the recommended actions.

## **REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR**

Human Resources Committee Chair Shawver indicated there was no meeting of the Human Resources Committee in the month of December.

## **FIRE CHIEF'S REPORT**

Chief Bowman reported on the retirement event held for Assistant Chief Brian Stephens who retired after 35 years of service. He introduced Organizational Planning/Assistant Chief Brian Young and Support Services/Assistant Chief Mike Schroeder. He thanked the Clerk of the Authority for the new agenda format. He noted the implementation of a new protocol whenever he would be out of the office. He provided a brief update on his 120-day Action Plan, and stated it will roll into the 180-day plan.

## **2. MINUTES**

### **A. Minutes from the November 20, 2014, Special Executive Committee Meeting**

On motion of Director Spitzer and second by Director McCloskey, the Executive Committee voted unanimously to approve the Minutes from the November 20, 2014, Special Executive Committee meeting as submitted.

Minutes

OCFA Executive Committee Regular Meeting

January 15, 2015 Page - 2

### **3. CONSENT CALENDAR**

Consent Calendar Agenda Item Nos. 3B, 3D, 3G, 3H, 3I, 3N, and 3Q were pulled for separate consideration.

#### **A. Monthly Investment Reports**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to receive and file the reports.

#### **B. Updated Broker/Dealer List**

Director Spitzer pulled this item to request additional information regarding complaints for the proposed firms available through Financial Regulatory Authority (FINRA) reports.

Treasurer Patricia Jakubiak provided an overview of FINRA, which provides information on any disclosure event or arbitration cases where the brokerage firm was named as a respondent. She noted in her review of the FINRA reports for calendar year 2014, there were no recent disclosure events including criminal matters, regulatory actions, and/or civil judicial proceedings that would have a direct negative impact on the OCFA.

On motion of Director Spitzer and second by Vice Chair Hernandez, the Executive Committee voted unanimously to return the item to the Budget and Finance Committee for review and directed staff to provide additional summarized information on pending and prior complaint actions against the proposed firms for its consideration.

#### **C. Blanket Order Contract Increase - External Collection Agency**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to increase the annual blanket order with Southwest Collection Services, Inc. from \$5,000 to \$7,000 annually.

#### **D. Award of RFP #DC1925 - Fire Turnout Clothing**

Director Spitzer pulled this item to request clarification regarding the contract term.

Purchasing Manager Debbie Casper stated the contract will be brought back to the Board of Directors for consideration if it exceeds three years.

On motion of Director Spitzer and second by Chair Murray, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to establish a three-year blanket order contract with Allstar Fire Equipment for a three year aggregate amount not to exceed \$1,200,000 (\$400,000 annually).

#### **E. Purchase of Scott Air Cylinders Bid #RO1932**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to issue a purchase order to Allstar Fire Equipment, in the amount of \$102,698.28, in accordance with the pricing offered in bid #RO1932 for the purchase of 150 Scott 30-minute carbon air cylinders and valves.

#### **F. Award of Bid #RO1976 - Fire Rescue Tools and Equipment**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to establish blanket order contracts (based on the results of bid #RO1976) as follows: Fire Ect. Inc. - \$175,000 and Fisher Scientific - \$50,000 for an aggregate amount not to exceed \$225,000 annually.
2. Authorize the Purchasing Manager to redistribute or adjust the \$225,000 between the two vendors as needed provided the aggregate amount doesn't exceed \$225,000 annually.
3. Authorize the Purchasing Manager to extend the blanket orders for two additional years with an annual aggregate amount not to exceed \$225,000.

#### **G. Contract Extension and Increase Request - Audio Equipment Rental**

Staff pulled this item to present a revision to the recommended action.

Assistant Chief Schroeder explained that staff was contacted by the vendor this afternoon with a proposal for OCFA to purchase the equipment at a cost of \$8,600 versus continuing to rent the equipment until August 31, 2015, at a cost of \$15,000, which would be a saving of \$6,400.

On motion of Director Swift and second by Vice Chair Hernandez, the Executive Committee voted unanimously to authorize the Purchasing Manager to increase the amount of Purchase Order 08484-1 with GMF Sound, Inc. by \$8,600 to purchase equipment necessary to operate the OCFA Boardroom Audio/Video system.

#### **H. Contract Extension and Increase Request - Data Network Storage Hardware**

Director Shawver pulled this item to inquire why the multi-year contract discount is no longer being offered by Hewlett Packard.

IT Manager Joel Brodowski stated the model of equipment is being phased out and Hewlett Packard will no longer offer ongoing support contracts after this term expires in December of 2015.

On motion of Director Shawver and second by Vice Chair Hernandez, the Executive Committee voted to authorize the Purchasing Manager to increase the contract amount for Hewlett Packard by \$14,344 for an amount not to exceed \$24,000 and extend the contract until December 31, 2015.

#### **I. Sole Source Contract Renewal - Information Management Technologies**

Director Shawver pulled this item to inquire why it did not go out to bid for the services.

IT Manager Joel Brodowski clarified that approval of these renewals is for custom software applications that can only be serviced by these providers.

On motion of Director Shawver and second by Vice Chair Hernandez, the Executive Committee voted unanimously to authorize the Purchasing Manager to increase the annual contract amount for Information Management Technologies from \$149,000 to \$164,000 for the contract ending April 30, 2015, and to extend the term for an additional three years at an amount not to exceed \$164,000 per year.

#### **J. Contract Extension and Increase Request - Internet Service Provider**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to authorize the Purchasing Manager to increase Blanket Order 0808-8 for Global Capacity (formerly Megapath Corporation) from \$37,000 to \$43,000 for the contract ending February 28, 2015, and to extend the contract for an additional three years at an amount not to exceed \$43,000 per year.

#### **K. Blanket Order Contract Renewals – Property Management**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to renew and increase the blanket orders for Sweinhart Electric Company, DMS Facility Services, Pacific Compliance, and Kidde Fire Trainers.

#### **L. Sole Source Blanket Order Contract Request – A2Z Fire Apparatus**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to establish a three-year blanket order contract with A2Z Fire Apparatus for an amount not to exceed \$20,000 annually.
2. Authorize the Purchasing Manager to increase the contract amount up to two percent or Consumer Price Index whichever is lower at the beginning of year two and three.

### **M. Award of Bid #DC1957 - Purchase of Four 100' Tractor Drawn Aerial Quints**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to issue a purchase order to Kovach Mobile Equipment Corporation for the purchase of four Quints in an amount not to exceed \$5,227,858.36 (Cost per unit \$1,299,764.59 without five-year extended warranty).
2. Authorize the Fire Chief to utilize this contract for future budgeted Quint purchases for up to two additional one-year options upon mutual agreement of OCFA and KME and pricing escalation based on the Producer Price Index or three percent whichever is less.

### **N. Award of Bid #MD1942 – Fire Apparatus Maintenance Repair and Parts**

Director Spitzer pulled this item expressing concerns with not purchasing the five-year warranties.

Fleet Services Manager Rick Oborny reported staff reductions created the need to purchase extended warranties in the past. He noted most of the major components are under manufacturer warranties.

On motion of Director Spitzer and second by Chair Murray, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to establish blanket order contracts as follows: EVG - \$38,500; KME - \$100,000; Southern California Fire Services, Inc. - \$38,500; and Fleetpride, Inc. (parts only) - \$40,000 for an aggregate amount not to exceed \$217,000 annually.
2. Approve and authorize the Purchasing Manager to redistribute or adjust the funding between the four vendors as requested by the department provided the aggregate amount does not exceed \$217,000 annually.
3. At the beginning years two and three, authorize the Purchasing Manager to increase all four contracts up to two percent or the Consumer Price Index whichever is lower.

### **O. Award of Bid #JA1987 – Purchase of Five Chevrolet Tahoes**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to issue a purchase order to Penske Chevrolet, in the amount of \$186,559.75 (includes tax), all in accordance with Bid #JA1987.

**P. Sole Source Purchase Order - Helicopter Rescue Hoist Assembly**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to issue a sole source purchase order to Goodrich, Inc. in the amount of \$162,000 for the purchase of an overhauled helicopter rescue hoist.

**Q. Award of Bid #RO1980 - Fitness Equipment Maintenance and Repair**

Director Swift pulled this item asking if the bid amount included maintenance for all OCFA fire stations' equipment.

Assistant Chief Dave Thomas confirmed that the contact included all fitness equipment at the stations and Regional Fire Operations and Training Center.

On motion of Director Swift and second by Vice Chair Hernandez, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to establish a blanket order contract with Pronto Gym Services, Inc. with an annual contract amount not to exceed \$50,000.
2. Authorize the Purchasing Manager to extend the contract for up to two additional one-year periods with the three year aggregate amount not to exceed \$150,000.

**R. Federal Lobbying Contract Renewal**

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to approve and authorize the Fire Chief to execute the Professional Services Agreement with Holland & Knight for up to three one-year renewals and to approve an increase of no more than 3% in year two or three.

**4. PUBLIC HEARING(S)**

There were no items for Public Hearing.

**5. DISCUSSION CALENDAR**

**A. Contract Increase - Purchase of Five Type I Engines**

Fleet Services Manager Rick Oborny presented the report.

On motion of Vice Chair Hernandez and second by Director Spitzer, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to process \$64,016.62 for two change orders increasing P0008275 for the purchase of five Type I Engines for a total not to exceed amount of \$2,637,553.27.

2. Approve and authorize the Purchasing Manager to issue a purchase order to KME in the amount of \$2,138,152.76 for the purchase of four additional Type I Engines.

#### **B. Blanket Order Contract Increase & Renewal - General Counsel Services**

Assistant Chief Lori Zeller presented the report.

A lengthy discussion ensued.

On motion of Director McCloskey and second by Director Spitzer, the Executive Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to increase BO1267 with Woodruff Spradlin & Smart by \$120,000 for three months of services (December 2014 - February 2015) during the remainder of the contract year.
2. Approve and authorize the Purchasing Manager to renew the blanket order with Woodruff Spradlin & Smart for one year (March 1, 2015 - February 28, 2016) at an amount of \$475,000.
3. Direct staff to increase the annual budget for legal services from \$375,000 to \$475,000 in the Mid-year Budget Adjustments that will be submitted to the Board in March 2015.

#### **C. Director Request for Preparation of Pension Report**

Assistant Chief Lori Zeller presented the staff report.

OCFA Board Director Rick Barnett addressed his concerns regarding financial deficits created by health insurance benefits and retirement costs. He requested staff prepare a detailed summary of OCFA pension coverage, synopsis of benefits identifying those that beneficiaries would be entitled, translation of life expectancy chart, summary of health insurance benefits pre and post retirement, interface with Medicare, current aggregate deficit between health and retirement and identify the rate of return presently used in determining this deficits, and status of law with regard to OCFA's ability to set the allocation as between the agency and employees.

Discussion ensued.

On motion of Chair Murray and second by Director Shawver, the Executive Committee voted unanimously to send the item to the Human Resources Committee to review Director Barnett's request and make a recommendation.

## **COMMITTEE MEMBER COMMENTS**

Chair Murray thanked the OCFA for putting out a recent fire quickly and efficiently in Tustin, reported on his attendance at Brian Stephen's retirement party, and congratulated Directors Spitzer and Lalloway on their recent Chair appointments. He noted Director Spitzer had been appointed Chair of the Orange County Board of Supervisors and Director Lalloway's appointment as Chair of the Board for the Orange County Transportation Authority.

## **CLOSED SESSION**

There were no items for Closed Session.

**ADJOURNMENT** – Chair Murray adjourned the meeting at 8:04 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, February 19, 2015, at 6:00 p.m.

---

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



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3A  
Consent Calendar

**Monthly Investment Reports**

---

**Contact(s) for Further Information**

Patricia Jakubiak, Treasurer Treasury & Financial Planning	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Jane Wong, Assistant Treasurer	<a href="mailto:jane Wong@ocfa.org">jane Wong@ocfa.org</a>	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**

At its February 11, 2015, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**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 December 31, 2014. A preliminary investment report as of January 23, 2015, is also provided as the most complete report that was available at the time this agenda item was prepared

**Attachment(s)**

Final Investment Report – December 2014/Preliminary Report – January 2015

# *Orange County Fire Authority Monthly Investment Report*



*Final Report – December 2014*

*Preliminary Report – January 2015*



## ***Monthly Investment Report Table of Contents***

<b><i>Final Investment Report – December 31, 2014 .....</i></b>	<b><i>1</i></b>
<i>Executive Summary.....</i>	<i>2</i>
<i>Benchmark Comparison.....</i>	<i>3</i>
<i>Portfolio Size, Yield, &amp; Duration.....</i>	<i>3</i>
<i>Portfolio Summary.....</i>	<i>4</i>
<i>Portfolio Details.....</i>	<i>5</i>
<i>Aging Report.....</i>	<i>8</i>
<i>Notes to Portfolio Management Report.....</i>	<i>9</i>
<i>Local Agency Investment Fund.....</i>	<i>10</i>
<b><i>Preliminary Investment Report – January 23, 2015.....</i></b>	<b><i>12</i></b>
<i>Portfolio Summary.....</i>	<i>13</i>
<i>Portfolio Details.....</i>	<i>14</i>
<i>Aging Report.....</i>	<i>17</i>
<i>Notes to Portfolio Management Report.....</i>	<i>18</i>



***Orange County Fire Authority***

***Final Investment Report***

***December 31, 2014***



**EXECUTIVE SUMMARY**

***Portfolio Activity & Earnings***

During the month of December 2014, the size of the portfolio increased significantly from \$128.7 million to \$217.0 million. Significant receipts for the month included the second and third apportionments of secured property taxes for a total of \$89.9 million and receipts for quarterly cash contract payments totaling \$14.9 million. Significant disbursements for the month included primarily two biweekly payrolls, which were approximately \$8.8 million each with related benefits. Total December cash outflows for operating expenditures amounted to approximately \$20.4 million. The portfolio's balance is expected to decrease significantly in the following month as there are no major receipts scheduled for January.

In December, the portfolio's yield to maturity (365-day equivalent) declined by 6 basis points to 0.22%. The effective rate of return decreased similarly by 5 basis points to 0.22% for the month and edged down by 1 basis point to 0.26% for the fiscal year to date. The average maturity of the portfolio shortened by 44 days to 135 days to maturity. As the first half of the fiscal year completed, portfolio interest earnings came in more than expected. Thus, interest earnings are being reviewed for a mid-year budget adjustment.

***Economic News***

The U.S. economic activity remained mixed in December 2014, although overall activity weakened slightly. On the upside, employment conditions stayed solid in December. There were a total of 252,000 new jobs created in December, beating expectations. In addition, a net increase of 50,000 jobs was adjusted for the previous two months. The unemployment rate also came in better than expected decreasing by 2 basis points to 5.6%, in part due to a decline in the number of people looking for work. Consumer confidence measures increased in December, and the NFIB (National Federation of Independent Business) small business optimism index continued to rise to its highest level since October 2006. However, on the other hand, retail sales came in disappointingly weaker than expected. Both manufacturing and non-manufacturing sectors pulled back slightly for the month, although activity remained at an expanding level. New home sales increased better than expected, but overall housing activity stayed mixed and slow. Industrial production decreased slightly, but durable goods orders unexpectedly dropped significantly. Inflation fell further as oil prices continued to decline. Despite the slightly weakened economic activity, current expectations remain that the Fed will likely raise rates in mid-2015.



**BENCHMARK COMPARISON AS OF DECEMBER 31, 2014**

<i>3 Month T-Bill:</i> 0.03%	<i>1 Year T-Bill:</i> 0.21%
<i>6 Month T-Bill:</i> 0.11%	<i>LAIF:</i> 0.27%
<i>OCFA Portfolio:</i> 0.22%	

**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>	\$217,030,366	\$128,741,870	\$180,095,611
<i>Yield to Maturity (365 day)</i>	0.22%	0.28%	0.24%
<i>Effective Rate of Return</i>	0.22%	0.27%	0.29%
<i>Days to Maturity</i>	135	179	187



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**December 31, 2014**

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

(See Note 1 on page 9)

(See Note 2 on page 9)

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM/C 360 Equiv.</b>	<b>YTM/C 365 Equiv.</b>
Money Mkt Mutual Funds/Cash	21,036,993.55	21,036,993.55	21,036,993.55	9.73	1	1	0.001	0.001
Commercial Paper Disc. -Amortizing	6,000,000.00	5,998,080.00	5,998,506.67	2.77	150	56	0.160	0.162
Federal Agency Coupon Securities	34,888,888.78	34,747,669.89	34,900,719.99	16.14	1,294	618	0.714	0.724
Federal Agency Disc. -Amortizing	104,320,000.00	104,306,046.80	104,298,930.98	48.23	109	68	0.081	0.083
Local Agency Investment Funds	50,000,000.00	49,999,019.00	50,000,000.00	23.12	1	1	0.263	0.267
<b>Investments</b>	<b>216,245,882.33</b>	<b>216,087,809.24</b>	<b>216,235,151.19</b>	<b>100.00%</b>	<b>266</b>	<b>135</b>	<b>0.220</b>	<b>0.223</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	889,381.75	889,381.75	889,381.75		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>217,135,264.08</b>	<b>216,977,190.99</b>	<b>217,124,532.94</b>		<b>266</b>	<b>135</b>	<b>0.220</b>	<b>0.223</b>

<b>Total Earnings</b>	<b>December 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	32,586.04	202,241.01
<b>Average Daily Balance</b>	<b>175,705,241.25</b>	<b>156,392,587.44</b>
<b>Effective Rate of Return</b>	<b>0.22%</b>	<b>0.26%</b>

"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, 2014. 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      1/2/15

**Cash and Investments with GASB 31 Adjustment:**

Book Value of Cash & Investments before GASB 31 (Above)	\$ 217,124,532.94
GASB 31 Adjustment to Books (See Note 3 on page 9)	\$ (94,166.47)
<b>Total</b>	<b>\$ 217,030,366.47</b>

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2014**

(See Note 1 on page 9) (See Note 2 on page 9)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	High Mark 100% US Treasury MMF			21,036,993.55	21,036,993.55	21,036,993.55	0.001	0.001	1	
<b>Subtotal and Average</b>			<b>14,773,924.77</b>		<b>21,036,993.55</b>	<b>21,036,993.55</b>	<b>21,036,993.55</b>		<b>0.001</b>	<b>1</b>	
<b>Commercial Paper Disc. -Amortizing</b>											
36959JPS6	835	GEN ELEC CAP CRP		09/29/2014	6,000,000.00	5,998,080.00	5,998,506.67	0.160	0.162	56	02/26/2015
<b>Subtotal and Average</b>			<b>11,804,394.57</b>		<b>6,000,000.00</b>	<b>5,998,080.00</b>	<b>5,998,506.67</b>		<b>0.162</b>	<b>56</b>	
<b>Federal Agency Coupon Securities</b>											
3133ECM76	809	Federal Farm Credit Bank (Callable anytime)		04/25/2013	9,000,000.00	8,974,350.00	8,997,244.85	0.400	0.424	477	04/22/2016
3133804V6	787	Fed Home Loan Bank (Callable anytime)		08/09/2012	6,000,000.00	5,981,280.00	6,000,000.00	1.000	0.981	951	08/09/2017
3133813R4	800	Fed Home Loan Bank (Callable 1-9-15)		12/20/2012	9,000,000.00	8,915,760.00	9,008,415.69	1.000	0.986	1,043	11/09/2017
313382DC4	803	Fed Home Loan Bank (Callable anytime)		03/15/2013	888,888.78	887,679.89	888,818.13	0.470	0.477	431	03/07/2016
3130A3RM8	850	Fed Home Loan Bank (Callable 6-30-15)		12/30/2014	10,000,000.00	9,988,600.00	10,006,241.32	0.770	0.645	180	12/30/2016
<b>Subtotal and Average</b>			<b>25,540,073.37</b>		<b>34,888,888.78</b>	<b>34,747,669.89</b>	<b>34,900,719.99</b>		<b>0.724</b>	<b>618</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313312AQ3	845	Farm Credit Disc Note		12/18/2014	5,000,000.00	4,999,950.00	4,999,883.34	0.060	0.062	14	01/15/2015
313312FH8	846	Farm Credit Disc Note		12/18/2014	9,000,000.00	8,997,120.00	8,995,555.00	0.140	0.144	127	05/08/2015
313588AP0	843	Fed Natl Mortg Assoc		12/09/2014	2,085,000.00	2,084,979.15	2,084,977.41	0.030	0.031	13	01/14/2015
313396BF9	832	Freddie Mac		07/01/2014	9,000,000.00	8,999,820.00	8,999,347.50	0.090	0.093	29	01/30/2015
313396AN3	836	Freddie Mac		10/08/2014	7,000,000.00	6,999,930.00	6,999,918.33	0.035	0.036	12	01/13/2015
313396CZ4	837	Freddie Mac		10/27/2014	8,000,000.00	7,999,520.00	7,999,053.33	0.060	0.062	71	03/13/2015
313396AP8	841	Freddie Mac		12/08/2014	5,235,000.00	5,234,947.65	5,234,943.29	0.030	0.031	13	01/14/2015
313396ED1	847	Freddie Mac		12/18/2014	9,000,000.00	8,997,840.00	8,997,401.25	0.105	0.108	99	04/10/2015
313396FX6	848	Freddie Mac		12/18/2014	9,000,000.00	8,998,850.00	8,995,417.50	0.130	0.134	141	05/22/2015
313396GM9	849	Freddie Mac		12/18/2014	9,000,000.00	8,996,130.00	8,994,768.75	0.135	0.139	155	06/05/2015
313384BV0	839	Fed Home Loan Bank		12/04/2014	9,000,000.00	8,999,730.00	8,999,355.00	0.060	0.062	43	02/13/2015
313384DP1	840	Fed Home Loan Bank		12/04/2014	9,000,000.00	8,999,370.00	8,998,512.50	0.070	0.072	85	03/27/2015
313384AP4	842	Fed Home Loan Bank		12/09/2014	6,000,000.00	5,999,940.00	5,999,956.67	0.020	0.021	13	01/14/2015
313384AP4	844	Fed Home Loan Bank		12/18/2014	8,000,000.00	7,999,920.00	7,999,841.11	0.055	0.057	13	01/14/2015
<b>Subtotal and Average</b>			<b>73,586,848.63</b>		<b>104,320,000.00</b>	<b>104,306,046.80</b>	<b>104,298,930.98</b>		<b>0.083</b>	<b>68</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			50,000,000.00	49,999,019.00	50,000,000.00	0.267	0.267	1	
<b>Subtotal and Average</b>			<b>50,000,000.00</b>		<b>50,000,000.00</b>	<b>49,999,019.00</b>	<b>50,000,000.00</b>		<b>0.267</b>	<b>1</b>	

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
		<b>Total and Average</b>	175,705,241.25		216,245,882.33	216,087,809.24	216,235,151.19		0.223	135

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**December 31, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10104	10104	American Benefit Plan Admin		07/01/2014	15,000.00	15,000.00	15,000.00		0.000	1
SYS10033	10033	Revolving Fund		07/01/2014	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2014	604,381.75	604,381.75	604,381.75		0.000	1
SYS361	361	CORVEL		07/01/2014	250,000.00	250,000.00	250,000.00		0.000	1
		<b>Average Balance</b>	<b>0.00</b>							<b>1</b>
<b>Total Cash and Investments</b>			<b>175,705,241.25</b>		<b>217,135,264.08</b>	<b>216,977,190.99</b>	<b>217,124,532.94</b>		<b>0.223</b>	<b>135</b>



**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of January 1, 2015**

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

Page 8

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value	
Aging Interval:	0 days	( 01/01/2015 - 01/01/2015 )	6 Maturities	0 Payments	71,926,375.30	33.13%	71,926,375.30	71,925,394.30
Aging Interval:	1 - 30 days	( 01/02/2015 - 01/31/2015 )	7 Maturities	0 Payments	42,320,000.00	19.49%	42,318,867.65	42,319,486.80
Aging Interval:	31 - 60 days	( 02/01/2015 - 03/02/2015 )	2 Maturities	0 Payments	15,000,000.00	6.91%	14,997,861.67	14,997,810.00
Aging Interval:	61 - 91 days	( 03/03/2015 - 04/02/2015 )	2 Maturities	0 Payments	17,000,000.00	7.83%	16,997,565.83	16,998,890.00
Aging Interval:	92 - 121 days	( 04/03/2015 - 05/02/2015 )	1 Maturities	0 Payments	9,000,000.00	4.14%	8,997,401.25	8,997,840.00
Aging Interval:	122 - 152 days	( 05/03/2015 - 06/02/2015 )	2 Maturities	0 Payments	18,000,000.00	8.29%	17,990,972.50	17,993,970.00
Aging Interval:	153 - 183 days	( 06/03/2015 - 07/03/2015 )	1 Maturities	0 Payments	9,000,000.00	4.14%	8,994,768.75	8,996,130.00
Aging Interval:	184 - 274 days	( 07/04/2015 - 10/02/2015 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	( 10/03/2015 - 01/01/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	( 01/02/2016 - 12/31/2017 )	5 Maturities	0 Payments	34,888,888.78	16.07%	34,900,719.99	34,747,669.89
Aging Interval:	1096 days and after	( 01/01/2018 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
<b>Total for</b>			<b>26 Investments</b>	<b>0 Payments</b>		<b>100.00</b>	<b>217,124,532.94</b>	<b>216,977,190.99</b>



**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, 2014 includes an increase of \$14,938 to the LAIF investment and a decrease of \$(109,104) to the remaining investments.
- Note 4: The Highmark 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.



## ***Local Agency Investment Fund (LAIF)***

As of December 31, 2014, OCFA has \$50,000,000 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 December 31, 2014 is 0.99998038. When applied to OCFA's LAIF investment, the fair value is \$49,999,019 or \$981 below cost. Although the fair value of the LAIF investment is lower 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 December 31, 2014 is included on the following page.



**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**12/31/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
<b>United States Treasury:</b>				
Bills	\$ 10,887,243,396.32	\$ 10,893,046,311.71	\$ 10,892,425,500.00	NA
Notes	\$ 17,710,184,296.49	\$ 17,708,969,034.53	\$ 17,712,248,000.00	\$ 16,255,025.50
<b>Federal Agency:</b>				
SBA	\$ 546,751,742.21	\$ 546,751,742.21	\$ 542,196,891.53	\$ 499,449.17
MBS-REMICs	\$ 104,044,287.57	\$ 104,044,287.57	\$ 110,871,394.73	\$ 495,601.80
Debentures	\$ 1,856,527,095.09	\$ 1,856,522,928.42	\$ 1,855,996,950.00	\$ 3,710,279.75
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 1,349,432,083.34	\$ 1,349,892,944.44	\$ 1,349,948,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
<b>Supranational Debentures</b>				
	\$ 450,246,568.19	\$ 450,199,693.19	\$ 449,536,000.00	\$ 759,031.50
<b>CDs and YCDs FR</b>				
	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 500,000,000.00	\$ 500,000,000.00	\$ 499,853,180.04	\$ 220,944.45
CDs and YCDs	\$ 9,450,006,464.82	\$ 9,450,006,464.82	\$ 9,446,060,558.99	\$ 4,073,958.30
Commercial Paper	\$ 5,468,678,264.43	\$ 5,469,479,438.27	\$ 5,468,593,770.00	NA
<b>Corporate:</b>				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
<b>Repurchase Agreements</b>				
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,035,240,000.00	\$ 5,035,240,000.00	\$ 5,035,240,000.00	NA
AB 55 & GF Loans	\$ 6,910,533,523.59	\$ 6,910,533,523.59	\$ 6,910,533,523.59	NA
<b>TOTAL</b>	<b>\$ 60,268,887,722.05</b>	<b>\$ 60,274,686,368.75</b>	<b>\$ 60,273,503,768.88</b>	<b>\$ 26,014,290.47</b>

Fair Value Including Accrued Interest \$ 60,299,518,059.35

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.99998038). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,999,607.60 or \$20,000,000.00 x 0.99998038.



*Orange County Fire Authority*  
*Preliminary Investment Report*  
*January 23, 2015*



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**January 23, 2015**

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

(See Note 1 on page 18)      (See Note 2 on page 18)

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM/C 360 Equiv.</b>	<b>YTM/C 365 Equiv.</b>
Money Mkt Mutual Funds/Cash	17,042,047.48	17,042,047.48	17,042,047.48	9.52	1	1	0.001	0.001
Commercial Paper Disc. -Amortizing	6,000,000.00	5,999,100.00	5,999,120.00	3.35	150	33	0.160	0.162
Federal Agency Coupon Securities	34,888,888.78	34,876,027.67	34,900,470.41	19.51	1,294	595	0.714	0.724
Federal Agency Disc. -Amortizing	71,000,000.00	70,989,830.00	70,983,915.00	39.67	139	71	0.101	0.102
Local Agency Investment Funds	50,000,000.00	49,999,019.00	50,000,000.00	27.94	1	1	0.263	0.267
<b>Investments</b>	<b>178,930,936.26</b>	<b>178,906,024.15</b>	<b>178,925,552.89</b>	<b>100.00%</b>	<b>313</b>	<b>146</b>	<b>0.258</b>	<b>0.262</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,101,303.16	1,101,303.16	1,101,303.16		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>180,032,239.42</b>	<b>180,007,327.31</b>	<b>180,026,856.05</b>		<b>313</b>	<b>146</b>	<b>0.258</b>	<b>0.262</b>

<b>Total Earnings</b>	<b>January 23 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	30,842.78	233,083.79
<b>Average Daily Balance</b>	<b>200,413,677.77</b>	<b>161,283,819.70</b>
<b>Effective Rate of Return</b>	<b>0.24%</b>	<b>0.25%</b>

"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, 2015. 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, Treasurer

**Cash and Investments with GASB 31 Adjustment:**

Book Value of Cash & Investments before GASB 31 (Above)	\$ 180,026,856.05
GASB 31 Adjustment to Books (See Note 3 on page 18)	\$ (94,166.47)
<b>Total</b>	<b>\$ 179,932,689.58</b>

Page 13

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 23, 2015**

(See Note 1 on page 18) (See Note 2 on page 18)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	High Mark 100% US Treasury MMF			17,042,047.48	17,042,047.48	17,042,047.48	0.001	0.001	1	
<b>Subtotal and Average</b>			<b>19,778,180.99</b>		<b>17,042,047.48</b>	<b>17,042,047.48</b>	<b>17,042,047.48</b>		<b>0.001</b>	<b>1</b>	
<b>Commercial Paper Disc. -Amortizing</b>											
36959JPS6	835	GEN ELEC CAP CRP		09/29/2014	6,000,000.00	5,999,100.00	5,999,120.00	0.160	0.162	33	02/26/2015
<b>Subtotal and Average</b>			<b>5,998,826.67</b>		<b>6,000,000.00</b>	<b>5,999,100.00</b>	<b>5,999,120.00</b>		<b>0.162</b>	<b>33</b>	
<b>Federal Agency Coupon Securities</b>											
3133ECM76	809	Federal Farm Credit Bank (Callable anytime)		04/25/2013	9,000,000.00	8,995,320.00	8,997,379.39	0.400	0.424	454	04/22/2016
3133804V6	787	Fed Home Loan Bank (Callable anytime)		08/09/2012	6,000,000.00	6,000,240.00	6,000,000.00	1.000	0.981	928	08/09/2017
3133813R4	800	Fed Home Loan Bank (Callable 2-9-15)		12/20/2012	9,000,000.00	8,970,570.00	9,008,227.40	1.000	0.966	1,020	11/09/2017
313382DC4	803	Fed Home Loan Bank (Callable anytime)		03/15/2013	888,888.78	888,897.67	888,821.95	0.470	0.477	408	03/07/2016
3130A3RM8	850	Fed Home Loan Bank (Callable 6-30-15)		12/30/2014	10,000,000.00	10,021,000.00	10,006,041.67	0.770	0.645	157	12/30/2016
<b>Subtotal and Average</b>			<b>34,900,589.77</b>		<b>34,888,888.78</b>	<b>34,876,027.67</b>	<b>34,900,470.41</b>		<b>0.724</b>	<b>595</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313312FH8	846	Farm Credit Disc Note		12/18/2014	9,000,000.00	8,997,930.00	8,996,360.00	0.140	0.144	104	05/08/2015
313396BF9	832	Freddie Mac		07/01/2014	9,000,000.00	9,000,000.00	8,999,865.00	0.090	0.093	6	01/30/2015
313396CZ4	837	Freddie Mac		10/27/2014	8,000,000.00	7,999,280.00	7,999,360.00	0.060	0.062	48	03/13/2015
313396ED1	847	Freddie Mac		12/18/2014	9,000,000.00	8,998,740.00	8,998,005.00	0.105	0.108	76	04/10/2015
313396FX6	848	Freddie Mac		12/18/2014	9,000,000.00	8,997,660.00	8,996,165.00	0.130	0.134	118	05/22/2015
313396GM9	849	Freddie Mac		12/18/2014	9,000,000.00	8,997,390.00	8,995,545.00	0.135	0.139	132	06/05/2015
313384BV0	839	Fed Home Loan Bank		12/04/2014	9,000,000.00	8,999,910.00	8,999,700.00	0.060	0.062	20	02/13/2015
313384DP1	840	Fed Home Loan Bank		12/04/2014	9,000,000.00	8,998,920.00	8,998,915.00	0.070	0.072	62	03/27/2015
<b>Subtotal and Average</b>			<b>89,727,721.85</b>		<b>71,000,000.00</b>	<b>70,989,830.00</b>	<b>70,983,915.00</b>		<b>0.102</b>	<b>71</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			50,000,000.00	49,999,019.00	50,000,000.00	0.267	0.267	1	
<b>Subtotal and Average</b>			<b>50,008,358.49</b>		<b>50,000,000.00</b>	<b>49,999,019.00</b>	<b>50,000,000.00</b>		<b>0.267</b>	<b>1</b>	
<b>Total and Average</b>			<b>200,413,677.77</b>		<b>178,930,936.26</b>	<b>178,906,024.15</b>	<b>178,925,552.89</b>		<b>0.262</b>	<b>146</b>	

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**January 23, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10104	10104	American Benefit Plan Admin		07/01/2014	15,000.00	15,000.00	15,000.00		0.000	1
SYS10033	10033	Revolving Fund		07/01/2014	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2014	816,303.16	816,303.16	816,303.16		0.000	1
SYS361	361	CORVEL		07/01/2014	250,000.00	250,000.00	250,000.00		0.000	1
		<b>Average Balance</b>	<b>0.00</b>							<b>1</b>
<b>Total Cash and Investments</b>			<b>200,413,677.77</b>		<b>180,032,239.42</b>	<b>180,007,327.31</b>	<b>180,026,856.05</b>		<b>0.262</b>	<b>146</b>

(This Page Intentionally Left Blank)



**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of January 24, 2015**

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

					Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	( 01/24/2015 - 01/24/2015 )	6 Maturities	0 Payments	68,143,350.64	37.85%	68,143,350.64	68,142,369.64
Aging Interval:	1 - 30 days	( 01/25/2015 - 02/23/2015 )	2 Maturities	0 Payments	18,000,000.00	10.00%	17,999,565.00	17,999,910.00
Aging Interval:	31 - 60 days	( 02/24/2015 - 03/25/2015 )	2 Maturities	0 Payments	14,000,000.00	7.78%	13,998,480.00	13,998,380.00
Aging Interval:	61 - 91 days	( 03/26/2015 - 04/25/2015 )	2 Maturities	0 Payments	18,000,000.00	10.00%	17,996,920.00	17,997,660.00
Aging Interval:	92 - 121 days	( 04/26/2015 - 05/25/2015 )	2 Maturities	0 Payments	18,000,000.00	9.99%	17,992,525.00	17,995,590.00
Aging Interval:	122 - 152 days	( 05/26/2015 - 06/25/2015 )	1 Maturities	0 Payments	9,000,000.00	5.00%	8,995,545.00	8,997,390.00
Aging Interval:	153 - 183 days	( 06/26/2015 - 07/26/2015 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	184 - 274 days	( 07/27/2015 - 10/25/2015 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	( 10/26/2015 - 01/24/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	( 01/25/2016 - 01/23/2018 )	5 Maturities	0 Payments	34,888,888.78	19.39%	34,900,470.41	34,876,027.67
Aging Interval:	1096 days and after	( 01/24/2018 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
<b>Total for</b>			<b>20 Investments</b>	<b>0 Payments</b>		<b>100.00</b>	<b>180,026,856.05</b>	<b>180,007,327.31</b>



**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, 2014 includes an increase of \$14,938 to the LAIF investment and a decrease of \$(109,104) to the remaining investments.
- Note 4: The Highmark 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.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3B  
Consent Calendar

**Second Quarter Financial Newsletter**

---

**Contact(s) for Further Information**

Lori Zeller, Assistant Chief Business Services Department	<a href="mailto:lorizeller@ocfa.org">lorizeller@ocfa.org</a>	714.573.6020
Tricia Jakubiak, Treasurer	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Deborah Gunderson, Budget Manager	<a href="mailto:deborahgunderson@ocfa.org">deborahgunderson@ocfa.org</a>	714.573.6302

**Summary**

This routine agenda item is submitted to provide information regarding revenues and expenditures in the General Fund and the Capital Improvement Program Funds through the second quarter of FY 2014/15.

**Prior Board/Committee Action**

At its February 11, 2015, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**Recommended Action(s)**

Receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

The Quarterly Financial Newsletter provides information about the General Fund's top five revenue sources as well as expenditures by department and type. Revenues and expenditures for the Capital Improvement Program (CIP) Funds are also included. Revenues and expenditures for the General Fund and the CIP Funds are within budgetary expectations for this reporting period. Any notable items are detailed in the attached newsletter.

**Attachment(s)**

Second Quarter Financial Newsletter – July 2014 to December 2014



# Orange County Fire Authority

## Second Quarter Financial Newsletter – July 2014 to December 2014

---

### OVERVIEW

This report covers fiscal activities in the General Fund and CIP Funds through the second quarter of Fiscal Year 2014/15 (FY 2014/15). Budget figures include all budget adjustments authorized by the Board through the end of the second quarter; adjustments proposed in the Mid-Year Review will be presented to the Board for approval in March and are not included in the Budget figures presented in this document.

### GENERAL FUND

With 50% of the year completed, General Fund revenues are 54.9% of budget and expenditures are 48.1% as shown below:

General Fund	Budget	YTD Actual	Percent
Revenues	310,517,010	170,617,483	54.9%
Expenditures	326,873,744	157,243,575	48.1%

**Top Five Revenues.** Beginning this quarter, Budget staff will begin presenting a modified variance analysis of our top five revenues. This analysis will compare the five largest revenue categories received as of the end of the quarter, as compared to estimates of what we expected for those revenues at this point in the fiscal year. The goal of this analysis is to more accurately reflect the difference in actual revenue received as compared to budget, after accounting for seasonal trends or other factors which affect the timing of revenue receipts. Categories in which the variance is exceeded by 10% or \$1 million, will be discussed below the table.

Top Five Revenues	YTD Actual Receipts	Trended YTD Budget Estimate	Variance: Actual to Estimate in Dollars	% Variance
Property Taxes	106,913,735	101,043,829	5,869,906	5%
Cash Contracts	49,125,891	49,073,958	51,933	0%
State Reimbursements	6,769,459	4,500,000	2,269,459	34%
Community Risk Reduction Fees	2,984,186	3,211,510	(227,324)	-8%
CRA Pass-through	1,409,072	369,626	1,039,447	74%
<b>Total</b>	<b>167,202,344</b>	<b>158,198,923</b>	<b>9,003,421</b>	<b>5%</b>

- **Property Taxes.** Property tax revenues were higher than estimates largely due to re-assessments of properties that had received temporary relief under Proposition 8 (1978) for declined property values which had occurred during the Great Recession. This re-captured value results in a large increase in revenues in the current year and creates a larger base for revenues in future years. This category will be included in the Mid-Year Budget Adjustment.
- **State Reimbursements.** Revenues were higher than budget estimates due to greater Assistance-by-Hire (ABH) emergency activity. This category will be included in the Mid-Year Budget adjustment.
- **Community Redevelopment Agency (CRA) Pass-Through.** This category of revenue exceeded budget estimates due to a one-time receipt of revenue from the settlement of a

lawsuit between the City of Irvine and the California Department of Finance, as well as a delayed pass-through from Yorba Linda which was due in FY 2013/14 but received in FY 2014/15. This category will be included in the Mid-Year Budget Adjustment.

**Expenditures.** Beginning this quarter, Budget staff will begin presenting a modified variance analysis of department expenditures. This analysis will compare the actual expenditures as of the end of the quarter, as compared to estimates of what we expected for expenditures at this point in the fiscal year. The goal of this analysis is to more accurately reflect the difference in expenditures as compared to budget, after accounting for seasonal trends or other factors which affect the timing of expenditures. Categories in which the variance is exceeded by 10% or \$1 million, will be discussed below the table.

Expenditures by Department	YTD Actual Expenditures	Trended YTD Budget Estimate	Variance: Actual to Estimate in Dollars	% Variance
Executive Management	5,858,920	5,867,600	(8,680)	0%
Operations	111,496,898	116,681,240	(5,184,342)	-5%
Community Risk Reduction	6,538,944	6,960,629	(421,685)	-6%
Business Services	22,195,585	22,313,190	(117,606)	-1%
Support Services	11,153,229	12,084,610	(931,381)	-8%
<b>Total</b>	<b>157,243,575</b>	<b>163,907,269</b>	<b>(6,663,694)</b>	<b>-4%</b>

- **Operations.** Actual expenditures for salary and benefits were lower than budget expectations, primarily due to vacancies in the department.

Expenditures by type are outlined below, with exception details following on the next page:

Expenditures by Type	YTD Actual Expenditures	Trended YTD Budget Estimate	Variance: Actual to Estimate in Dollars	% Variance
Salary & Employee Benefits	147,158,377	153,304,740	(6,146,363)	-4%
Services and Supplies	10,031,112	11,644,983	(1,613,871)	-16%
Equipment / Tran Interest Expense	54,086	149,957	(95,871)	-177%
<b>Total</b>	<b>157,243,575</b>	<b>165,099,679</b>	<b>(7,856,104)</b>	<b>-5%</b>

- **Salary & Employee Benefits (S&EB).** Actuals were lower than budget expectations, primarily due to under expended salary and benefits categories attributable to vacancies throughout the OCFA.
- **Services and Supplies (S&S) and Equipment.** S&S and Equipment categories are currently trending below budget estimates. Typically, expenditure activity ramps-up as the year progresses. The above trended YTD budget estimate assumes the ramp-up pattern will continue. Budget staff will work with section managers to refine the timing of their activity and adjust the estimate accordingly.

**CIP FUNDS**

The following summarizes revenues and expenditures for the Capital Improvement Program funds. Any variances are noted as follows:

**Facilities Maintenance & Improvement**

Fund 122	Budget	YTD Actual	Percent
Revenue	1,428,628	182,215	12.8%
Expenditures	2,639,776	1,365,639	51.7%

- The revenue and expenditure budgets include rebudgets for the Community Development Block Grant for kitchen and bath improvements to FS 72, 74, 75, and 76 in Santa Ana. A contract was awarded and the project is 95% finished and on schedule to be completed by February 2015. As a reimbursement grant, the revenues will not be received until billed after progress payments have been made to the contractor.
- Other projects completed to date include bath upgrades at FS 207 and FS 18.

**Facilities Replacement**

Fund 123	Budget	YTD Actual	Percent
Revenue	4,078,668	657,515	16.1%
Expenditures	5,749,437	21,025	0.4%

- Revenues include developer reimbursements for the design and construction of Station 56 (Ortega Valley); this project is currently 45% finished and estimated to be completed in July 2015. Appropriations of \$5.5 million for the US&R Warehouse purchase were rebudgeted to FY 2014/15 as the search for a suitable site continued. Five to six properties have been investigated thus far, however to-date none have met the necessary parameters to warrant purchase.

**Communications & Info. Systems Replacement**

Fund 124	Budget	YTD Actual	Percent
Revenue	23,109	275,884	1193.8%
Expenditures	9,465,097	1,178,284	12.4%

- Appropriations include \$6.7 million in total rebudgets, of which \$5.5 million is for the remaining components of the Public Safety System Project. This project is approximately 50% complete; \$373K has been expended/encumbered. An RFP for the RMS portion of the Project is being updated/developed with an estimated project completion date of June, 2017.
- Expenditures include the first payment of \$261K to the County of Orange for the 800 MHz CCCs Replacement project and a \$313K payment for the Microsoft Enterprise.

**Vehicle Replacement**

Fund 133	Budget	YTD Actual	Percent
Revenue	2,074,225	968,116	46.7%
Expenditures	13,116,164	1,574,667	12.0%

- Actual revenue includes the quarterly Cash Contract payments for vehicle replacement/depreciation. The revenue budget also includes rebudgeted funds for the outfitting costs for the Type 1 Engine for Station 56.
- \$5.8 million was rebudgeted from FY 2013/14 to FY 2014/15 for the purchase of emergency and support vehicles, including four 100' Quints. The bid process was completed for these vehicles and approved by the Executive Committee in January 2015.
- The paramedic squad slated to be purchased in FY 2014/15 has been deferred to 2015/16.
- A Purchase order for four Type 1 Engines was recently issued for \$2.8M; which is not yet reflected in the above Actual Expenditure amount.
- Expenditures include payments on the Master Lease agreement for the helicopters, as well as the purchase of 3 step vans and 1 compact truck loader.

**SUMMARY**

*For more information.* This summary is based on detailed information from our financial system. If you would like more information or have any questions about the report, please contact Deborah Gunderson, Budget Manager at 714-573-6302, or Tricia Jakubiak, Treasurer at 714-573-6301.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3C  
Consent Calendar

**Blanket Order Contract Renewals – Service Center**

---

**Contact(s) for Further Information**

Lori Zeller, Assistant Chief Business Services Department	<a href="mailto:lorizeller@ocfa.org">lorizeller@ocfa.org</a>	714.573.6020
Debbie Casper, Purchasing Manager	<a href="mailto:debbiecasper@ocfa.org">debbiecasper@ocfa.org</a>	714.573.6641

**Summary**

This agenda item seeks approval to renew blanket orders for various supplies and service contracts.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

Approve and authorize the Purchasing Manager to renew, increase and extend the blanket orders as recommended for LN Curtis & Sons, Compressed Air Specialties, and Allstar Fire Equipment contracts for up to three additional years.

**Impact to Cities/County**

Not Applicable

**Fiscal Impact**

Funding is included in the approved FY 2014/15 General Fund budget.

**Background**

For each of the blanket order contracts with the exception of LN Curtis and Compressed Air Specialties, the contracts were previously awarded based on the lowest priced responsive and responsible bids received. At the time of contract awards, Executive Committee approval was not required by the purchasing rules that were in place; however, subsequent changes in the Roles and Responsibilities Matrix resulted in the need to bring these contracts forward for Executive Committee approval of the renewal options (Attachment).

***L.N. Curtis & Sons – manufacturer sole source***

Hurst Jaws of Life, Inc. has provided a sole source letter that states that L.N. Curtis & Sons is the sole authorized and factory trained dealer certified by Hurst to sell, maintain and service Hurst equipment. Just recently staff has received additional clarification that when purchasing parts that there may be additional authorized repair facilities that could supply replacement parts. Based on this information staff is requesting to extend the current contract with L.N. Curtis & Sons for one year. The OCFA has continued to use Hurst Jaws of Life equipment on all 15 truck companies and the heavy rescue unit for the past 15 years. Staff is requesting approval to extend this contract for one additional year for a not to exceed amount of \$33,000. This will provide the time required to issue a competitive solicitation.

***Compressed Air Specialties – manufacturer sole source***

The OCFA has seven air compressors that are used to fill air cylinder bottles with breathing air used by firefighters while performing structural firefighting duties. Two of the compressors are located at the Service Center, one is located at Station 75, and four additional units are located on four mobile “light and air” vehicles. Each of these compressors requires annual maintenance, testing, and any required repairs to ensure they are functioning properly. On February 4, 2014, bid RO1907 was issued soliciting bids for annual maintenance and repair of the Bauer Air Compressors owned by OCFA. On February 20, 2014, only one bid was received from Compressed Air Specialties. Included with the bid was a letter from Bauer Compressors, Inc. stating that Compressed Air Specialties is the only factory authorized sales and service distributor in Southern California. Based on the experience in the first year of the contract, staff is requesting approval to increase the blanket order by \$4,000 and to extend this sole source contract for three additional one-year periods for a not to exceed amount of \$15,000 annually.

***Allstar Fire Equipment – Scott air pack (self-contained breathing apparatus) parts – Bid RO1918***

The Service Center is responsible for providing preventative maintenance, flow testing and repairs to over 1,300 OCFA owned Scott air packs including those issued to the field and loaner equipment. This contract provides established pricing on repair parts for repairs that are done in-house by Service Center employees, which has proven to save service time and money. Allstar Fire Equipment offered the lowest responsive responsible bid for Scott air pack parts from the three bids received. As a result, a blanket order was issued to Allstar Fire Equipment in April 2014 for a not to exceed amount of \$100,000. Staff is requesting approval to extend this contract for three additional one-year periods for a not to exceed amount of \$100,000 annually.

Staff is recommending that the Executive Committee approve and authorize the purchasing manager to renew the blanket orders as recommended in this report.

**Attachment(s)**

Schedule of Blanket Orders with Proposed Renewals

**Orange County Fire Authority  
Blanket Order Contracts – Service Center  
Proposed Renewals**

Vendors & Blanket Orders	Contract End Dates for Annual Renewal Options	Original BO Amount	New Annual Total
LN Curtis & Sons (sole source) <i>Parts and Repairs for Hurst “Jaws of Life” Equipment</i> B01330-3	<u>02/28/2015</u> 02/28/2016	\$ 33,000.00	\$ 33,000.00
Compressed Air Specialties (sole source) <i>Maintenance &amp; Repair Breathing Air Fill Stations</i> B01494	<u>02/28/2015</u> 02/28/2016 02/28/2017 02/28/2018	\$ 11,000.00	\$ 15,000.00 \$ 15,000.00 \$ 15,000.00
Allstar Fire Equipment <i>Purchase of Air Pack Parts</i> B01503	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 100,000.00	\$ 100,000.00 \$ 100,000.00 \$ 100,000.00



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3D  
Consent Calendar

---

**Blanket Order Contract Renewal – Purchasing**

---

**Contact(s) for Further Information**

Lori Zeller, Assistant Chief Business Services Department	<a href="mailto:lorizeller@ocfa.org">lorizeller@ocfa.org</a>	714.573.6020
Debbie Casper, Purchasing Manager	<a href="mailto:debbiecasper@ocfa.org">debbiecasper@ocfa.org</a>	714.573.6641

**Summary**

This agenda item seeks approval to renew the current blanket order contract with Planet Bids for three additional years for a total not to exceed aggregate amount of \$64,735.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

Approve and authorize the Purchasing Manager to renew and extend the blanket order with Planet Bids for up to three additional years for a not to exceed aggregate amount of \$64,735.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 General Fund budget.

**Background**

In March 2007, OCFA entered into an agreement with Planet Bids to provide licensing and access to a web hosted Planet Bid modules for online vendor registration, bid management, emergency operations and insurance certificate management. This service was approved through the IT Governance Committee and the initial contract was issued under management authority within the purchasing policies at the time. Several other systems offering similar functionality were reviewed in 2007 and staff determined that Planet Bids offered the best value user friendly system for OCFA.

The use of online vendor and bid management services has resulted in a more efficient and effective business practice by providing an easy method for vendors to register seamlessly through the OCFA website for specific commodities and services they provide. Vendors receive notification of upcoming bids based on their vendor profile and are able to respond to solicitations posted to the OCFA website at no cost. The use of an online bidding system has streamlined the solicitation process and has increased competition, which we believe results in cost savings to OCFA.

While the contract dollar amount does not exceed the threshold requiring Executive Committee approval, staff felt it was prudent to request approval since the renewal would extend the term past three years.

The current pricing includes support for five user licenses for vendor and bid management services (\$12,577), the RFP evaluation management module (\$3,675), and the insurance certificate module (\$4,500). The pricing for vendor management/bid management and RFP evaluation pricing is subject to a five percent annual increase each year as provided in the chart below:

<b>PB System™ Module</b> *5% price increase per year	<b>2015 -2016</b>	<b>2016 -2017</b>	<b>2017 -2018</b>
Vendor Management & Bid Management (5 User Licenses)*	\$ 12,577.00	\$ 13,206.00	\$ 13,866.00
RFP Evaluation (Add-on)*	\$ 3,675.00	\$ 3,859.00	\$ 4,052.00
Insurance Certificate Management	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
<b>Total</b>	\$ 20,752.00	\$ 21,565.00	\$ 22,418.00
<b>Aggregate Three-Year Total</b>	\$64,735		

Based on the efficiencies and functionality provided by this contract staff is recommending that the Executive Committee approve and authorize the Purchasing Manager to renew the blanket order issued to Planet Bids for up to three years with a not to exceed aggregate amount of \$64,735.

**Attachment(s)**

None.





Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3F  
Consent Calendar

**Blanket Order Contract Renewals – Property Management**

---

**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief                      [michaelschroeder@ocfa.org](mailto:michaelschroeder@ocfa.org)                      714.573.6008  
Support Services Department

Steve Chambers, Property Manager                      [stevechambers@ocfa.org](mailto:stevechambers@ocfa.org)                      714.573.6471

**Summary**

This agenda item seeks approval to renew blanket orders for various supplies and service contracts.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

Approve and authorize the Purchasing Manager to renew and extend the blanket orders as recommended for Riddle Appliance, Fire Station Outfitters, and Mitsubishi Electric & Electronics USA contracts for up to three additional years.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 budget.

**Background**

For each of the blanket order contracts with the exception of Mitsubishi Electric & Electronics USA, the contracts were previously awarded based on the lowest priced responsive and responsible bids received. At the time of contract awards, Executive Committee approval was not required by the Purchasing rules that were in place; however, subsequent changes in the Roles and Responsibilities Matrix resulted in the need to bring these contracts forward for Executive Committee approval of the renewal options (Attachment).

***Mitsubishi Electric & Electronics USA – manufacturer sole source***

Mitsubishi Electric provided a letter that stipulates Mitsubishi as the sole source of proprietary parts required to service, maintain and certify the elevators they manufactured and installed at the time of the Regional Fire Operations and Training Center (RFOTC) construction. The OCFA has used Mitsubishi continuously for 11 years since the RFOTC was built. In 2005, the Fire Chief approved a sole source request as authorized by the purchasing rules in place at that time. In March 2014, purchasing staff requested better pricing from Mitsubishi for a five year

contract. Mitsubishi agreed to a monthly reduction (\$166.83) that will result in savings of \$11,945.76 during the life of the contract. Staff is requesting approval to extend the current blanket order contract for the four remaining contract years through April 30, 2019, in the amount of \$13,500 annually for years two and three of the current contract and a three percent increase in each of the final two years.

***Riddle Appliance – Maintenance & Repair of Appliances – Bid RO1924***

Property Management provides maintenance, service and repair of appliance for all OCFA facilities. On March 27, 2014, bid RO1924 was issued soliciting bids for annual service and maintenance of appliances. Thirteen vendors registered to do business with OCFA and 250 external vendors were notified. On April 9, 2014, only one bid was received from Riddle Appliance. A blanket order contract for \$25,000 was issued to Riddle Appliance. This contract award was within management authority and did not require Executive Committee approval. The contract provides four additional one-year renewal options and provides for an annual increase not to exceed three percent. Staff is requesting approval to extend this contract for three additional one-year periods for a not to exceed amount of \$25,000 annually.

***Fire Station Outfitters – Sentinel Recliners – Bid RO1929***

Property Management is responsible for furnishing recliners to all the OCFA fire stations. On April 10, 2014, bid RO1929 was issued soliciting bids to establish an annual contract for the purchase of these chairs. Fire Station Outfitters offered the lowest responsive responsible bid for recliners from the three bids received. This contract provides fixed purchase price of \$675 per chair with no delivery fees and a five year warranty. As a result, a blanket order was issued to Fire Station Outfitters in April 2014 for a not to exceed amount of \$50,000. Staff is requesting approval to extend this contract for three additional one-year periods for a not to exceed amount of \$50,000 annually.

**Attachment(s)**

Schedule of Blanket Orders with Proposed Renewals

**Orange County Fire Authority  
Blanket Order Contracts – Property Management  
Proposed Renewals and Adjustments**

Vendors & Blanket Orders	Contract End Dates for Annual Renewal Options	Original BO Amount	New Annual Total
Mitsubishi (sole source) <i>Maintenance, Repair &amp; Certification Elevators</i> B01514	<u>04/30/2015</u> 04/30/2016 04/30/2017 04/30/2018 04/30/2019	\$ 13,500.00	\$ 13,500.00 \$ 13,500.00 \$ 13,905.00 \$ 14,322.12
Riddle Appliance <i>Maintenance &amp; Repair of Appliances</i> B01507	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 25,000.00	\$ 25,000.00 \$ 25,000.00 \$ 25,000.00
Fire Station Outfitters <i>Sentinel Recliners</i> B01512	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 50,000.00	\$ 50,000.00 \$ 50,000.00 \$ 50,000.00



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3G  
Consent Calendar

**Blanket Order Contract Increases and Renewals – Fleet Services**

---

**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief  
Support Services Department

[mikeschoeder@ocfa.org](mailto:mikeschoeder@ocfa.org)

714.573.6008

Rick Oborny, Fleet Services Manager

[rickoborny@ocfa.org](mailto:rickoborny@ocfa.org)

714.573.6651

**Summary**

This agenda item seeks approval to increase and renew the blanket orders for auto parts, tires, and fleet services contracts as referenced.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

1. Approve and authorize the Purchasing Manager to increase the blanket order with Parkhouse Tire, Inc. by \$50,000 for a total not to exceed amount of \$308,700 annually and extend the contract for up to two additional years.
2. Approve and authorize the Purchasing Manager to renew the final blanket order contract renewal with Valley Power Systems in the amount not to exceed \$100,000.
3. Approve and authorize the Purchase Manager to renew the blanket order contracts for Ford repair services and parts with Worthington Ford, Elite Automotive Services, and Tuttle Click Capistrano Ford for up to three additional years; and authorize the Purchasing Manager to redistribute or adjust funding between the three contracts as requested by the department so long as the aggregate amount does not exceed \$100,000 annually.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 budget.

**Background**

For each of the blanket order contracts, the contracts were awarded based on a competitive solicitation. At the time of the contract awards, Executive Committee approval was not required by the purchasing rules that were in place; however, subsequent changes in the Roles and Responsibilities Matrix resulted in the need to bring these contracts forward for Executive Committee approval.

Fleet Services is responsible for the maintenance and repair of all vehicles and apparatus in the OCFA fleet. Ongoing repair and preventative maintenance keeps OCFA vehicles and apparatus functioning and performing at their best. The fleet section maintains contracts for the purchase of parts and repairs to assist beyond staff capacity.

***Parkhouse Tire Inc.***

Fleet services provides tires for 500 vehicles and apparatus, many of which accumulate up to 7,000 miles a quarter, requiring an extreme amount of preventative maintenance on the tires. As part of OCFA's ongoing repair and preventative maintenance plan, tires are inspected daily by the crews and operators, and are repaired or replaced as needed. In an effort to eliminate any possible catastrophic tire failure, Fleet Services also removes and replaces all tires which have been in service for seven years, regardless of mileage. This year's increase in expenditure can be attributed to the 16 E-One Engines that were put into service in 2008 whose tires have reached the 7 year life span and require tire replacement. In addition, several tires from USAR tractors and trailers also required tire replacement this year.

On March 1, 2012, Fleet Services began utilizing the Western States Contracting Alliance (WSCA) co-operative contract with Parkhouse Tire Inc. for tires, tubes and services. This contract was established through a competitive Request for Proposal (RFP) issued by the State of Utah. Staff is requesting approval to extend this contract for two additional one-year periods for a not to exceed amount of \$308,700 annually.

***Valley Power Systems***

On December 9, 2010, Bid MP1749 was issued for repair services and parts for fire apparatus with Detroit Diesel engines. Valley Power Systems was the only bidder that responded. The initial contract term was one-year with four additional one-year renewals. Staff is requesting approval to exercise the final remaining renewal year for a not to exceed amount of \$100,000.

***Ford Service Repairs and Parts – Bid RO1912***

Currently there are 120 Ford vehicles in the OCFA fleet that require service maintenance and repair. These vehicles include sedans, light duty trucks, sport utility vehicles, vans, and heavy duty trucks. On February 20, 2014, Bid RO1912 was issued to establish multiple annual contracts for as needed diagnostic testing, vehicle maintenance, and repair services for Ford vehicles. The bid was sent to 93 registered vendors and on March 6, 2014, the bid due date, four bids were received.

Based on the bid results, three separate blanket order contracts were awarded to the lowest responsive and responsible bidders (Worthington Ford, Elite Automotive Services, and Tuttle Click Capistrano Ford). For the prior year, each blanket order was issued at \$100,000 per vendor; however, with this renewal request, staff is requesting lesser amounts to be awarded to each vendor, for an aggregate total of \$100,000 combined for all three vendors. Awarding multiple contracts allows the department flexibility of utilizing the vendor that offers immediate availability to perform the requested service.

***Attachment(s)***

Schedule of Blanket Orders with Proposed Renewals

**Orange County Fire Authority  
Blanket Order Contracts – Fleet Services  
Proposed Renewals**

Vendors & Blanket Orders	Contract End Dates for Annual Renewal Options	Original BO Amount	New Annual Total
Parkhouse Tire Inc <i>Tires, tubes and related services</i> B01190-5	<u>03/31/2015</u> 03/31/2016 03/31/2017	\$ 258,700.00	\$ 308,700.00 \$ 308,700.00 \$ 308,700.00
Valley Power Systems <i>Service repairs and parts for Detroit Diesel engines</i> B01326-3	<u>02/28/2015</u> 02/29/2016	\$ 100,000.00	\$ 100,000.00
Worthington Ford* <i>As-needed Maintenance, Service, Repair, and Parts for Light Duty Ford Vehicles</i> B01497	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 100,000.00	\$ 60,000.00
Elite Automotive Services* <i>As-needed Maintenance, Service, Repair, and Parts for Light Duty Ford Vehicles</i> B01499	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 100,000.00	\$ 20,000.00
Tuttle Click Capistrano Ford* <i>As-needed Maintenance, Service, Repair, and Parts for Light Duty Ford Vehicles</i> B01500	<u>03/31/2015</u> 03/31/2016 03/31/2017 03/31/2018	\$ 100,000.00	\$ 20,000.00

\*Based on expenditures during the first year of the Ford vehicle maintenance contracts, staff is recommending a total aggregate amount not to exceed \$100,000 annually for all three contracts with the option to adjust the contract amounts with the aggregate annual amount of the three contracts limited to \$100,000.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3H  
Consent Calendar

**Sole Source Blanket Order Contract Renewals – Information Technology**

---

**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief  
Support Services Department

[mikeschroeder@ocfa.org](mailto:mikeschroeder@ocfa.org)

714.573.6008

Joel Brodowski, IT Manager

[joelbrodowski@ocfa.org](mailto:joelbrodowski@ocfa.org)

714.573.6421

**Summary**

This agenda item seeks approval to renew and adjust sole source blanket orders for software license and maintenance fees for Geographic Information Systems (GIS) programs, the Fire Apparatus move up recommendation application, and the Hospital divert status system.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

1. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with ESRI for three additional years for a not to exceed amount of \$75,000 annually.
2. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Deccan for up to three years at a cost of \$29,882.00 in year one subject to a seven percent increase in years two and three.
3. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Hospital Association of Southern California to extend this sole source contract for three additional years for a not to exceed amount of \$3,910 annually.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 General Fund budget.

**Background**

For each of the blanket orders included in this report, services can only be provided by the listed company and are in compliance with sole source requirements of the OCFA Purchasing Ordinance. Contract dates and values and other information regarding the purpose of each contract are listed below.

**ESRI** – ESRI, as the owner and manufacturer, is the sole source for the software and maintenance used by OCFA GIS staff. This software is utilized to create and manipulate geospatial data into mapping products, geo-data used by the TriTech CAD system, and geospatial applications used by OCFA staff. This sole source contract was approved by Executive Committee on May 27, 2010, in the amount of \$75,000 for up to five years. Staff is requesting approval to extend this sole source contract for three additional years for a not to exceed amount of \$75,000 annually.

**Deccan** – On April 23, 2009, the OCFA Board of Directors approved a grant-funded contract with Deccan International to implement its Live Move-Up Module (LiveMUM) in the amount of \$172,895 funded by the State Homeland Security Grant Program (SHSGP). LiveMUM is a sole source software application that is used by the dispatch center to interface with CAD data and predict efficient move up recommendations for OCFA apparatus and fire stations based on pre-set criteria. Deccan International is the owner and manufacturer of LiveMUM and is the sole source provider for this software. The annual maintenance for this software is subject to a seven percent increase in year three as provided in the Attachment. Staff is requesting approval to extend this sole source contract for up to three years.

**Hospital Association of Southern California** - ReddiNet is a dedicated emergency medical communications network that facilitates information exchange among hospitals, EMS agencies, paramedics, and dispatch centers including OCFA. Critical information including divert status is provided to OCFA emergency personnel for transporting patients. The increased cost of the renewal of this contract is for adding a new interface to the OCFA's TriTech CAD system. This sole source contract was within management authority under the prior purchasing rules and has not been approved by the Executive Committee in the past. Staff is requesting approval to increase and extend this sole source contract for three additional years for a not to exceed amount of \$3,910 annually.

**Attachment(s)**

Schedule of Blanket Orders with Proposed Renewals

**Orange County Fire Authority  
Sole Source Blanket Order Contracts – IT  
Proposed Renewals**

Vendors & Blanket Orders	Contract End Dates for Annual Renewal Options	Original BO Amount	New Annual Total
ESRI (sole source) <i>GIS Software licensing, maintenance, professional svcs.</i> B01291-3	<u>02/14/2015</u> 02/14/2016 02/14/2017 02/14/2018	\$ 75,000.00	\$ 75,000.00 \$ 75,000.00 \$ 75,000.00
Deccan International (sole source) <i>Annual Maintenance “LiveMUM” move-up software</i> B01411-2	<u>04/30/2015</u> 04/30/2016 04/30/2017 04/30/2018	\$ 29,882.00	\$ 29,882.00 \$ 32,017.00 \$ 39,010.00
Hospital Assoc. of Southern California (sole source) <i>Reddinet System Maintenance</i> B01043-7	<u>02/28/2015</u> 02/28/2016 02/28/2017 02/28/2018	\$ 2,875.00	\$ 3,910.00 \$ 3,910.00 \$ 3,910.00



REVISED 02/19/15

Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3H  
Consent Calendar

**Sole Source Blanket Order Contract Renewals – Information Technology**

---

**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief  
Support Services Department

[mikeschroeder@ocfa.org](mailto:mikeschroeder@ocfa.org)

714.573.6008

Joel Brodowski, IT Manager

[joelbrodowski@ocfa.org](mailto:joelbrodowski@ocfa.org)

714.573.6421

**Summary**

This agenda item seeks approval to renew and adjust sole source blanket orders for software license and maintenance fees for Geographic Information Systems (GIS) programs, the Fire Apparatus move up recommendation application, and the Hospital divert status system.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

1. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with ESRI for three additional years for a not to exceed amount of \$75,000 annually.
2. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Deccan for up to three years at a cost of \$29,882.00 in year ~~one-two and~~ subject to a seven percent increase in years ~~two-and~~ three.
3. Approve and authorize the Purchasing Manager to renew and adjust the sole source blanket order to extend the sole source contract with Hospital Association of Southern California to extend this sole source contract for three additional years for a not to exceed amount of \$3,910 annually.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 General Fund budget.

**Background**

For each of the blanket orders included in this report, services can only be provided by the listed company and are in compliance with sole source requirements of the OCFA Purchasing Ordinance. Contract dates and values and other information regarding the purpose of each contract are listed below.

**ESRI** – ESRI, as the owner and manufacturer, is the sole source for the software and maintenance used by OCFA GIS staff. This software is utilized to create and manipulate geospatial data into mapping products, geo-data used by the TriTech CAD system, and geospatial applications used by OCFA staff. This sole source contract was approved by Executive Committee on May 27, 2010, in the amount of \$75,000 for up to five years. Staff is requesting approval to extend this sole source contract for three additional years for a not to exceed amount of \$75,000 annually.

**Deccan** – On April 23, 2009, the OCFA Board of Directors approved a grant-funded contract with Deccan International to implement its Live Move-Up Module (LiveMUM) in the amount of \$172,895 funded by the State Homeland Security Grant Program (SHSGP). LiveMUM is a sole source software application that is used by the dispatch center to interface with CAD data and predict efficient move up recommendations for OCFA apparatus and fire stations based on pre-set criteria. Deccan International is the owner and manufacturer of LiveMUM and is the sole source provider for this software. The annual maintenance for this software is subject to a seven percent increase in year three as provided in the Attachment. Staff is requesting approval to extend this sole source contract for up to three years.

**Hospital Association of Southern California** - ReddiNet is a dedicated emergency medical communications network that facilitates information exchange among hospitals, EMS agencies, paramedics, and dispatch centers including OCFA. Critical information including divert status is provided to OCFA emergency personnel for transporting patients. The increased cost of the renewal of this contract is for adding a new interface to the OCFA's TriTech CAD system. This sole source contract was within management authority under the prior purchasing rules and has not been approved by the Executive Committee in the past. Staff is requesting approval to increase and extend this sole source contract for three additional years for a not to exceed amount of \$3,910 annually.

**Attachment(s)**

Schedule of Blanket Orders with Proposed Renewals

**Orange County Fire Authority  
Sole Source Blanket Order Contracts – IT  
Proposed Renewals**

Vendors & Blanket Orders	Contract End Dates for Annual Renewal Options	Original BO Amount	New Annual Total
ESRI (sole source) <i>GIS Software licensing, maintenance, professional svcs.</i> B01291-3	<u>02/14/2015</u> 02/14/2016 02/14/2017 02/14/2018	\$ 75,000.00	\$ 75,000.00 \$ 75,000.00 \$ 75,000.00 \$ 75,000.00
Deccan International (sole source) <i>Annual Maintenance “LiveMUM” move-up software</i> B01411-2	<u>04/30/2015</u> 04/30/2016 04/30/2017 04/30/2018	\$ 29,882.00	\$ 29,882.00 \$ 32,017.00 <del>\$ 39,010.00</del> <u>32,017.00</u>
Hospital Assoc. of Southern California (sole source) <i>Reddinet System Maintenance</i> B01043-7	<u>02/28/2015</u> 02/28/2016 02/28/2017 02/28/2018	\$ 2,875.00	\$ 3,910.00 \$ 3,910.00 \$ 3,910.00



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3I  
Consent Calendar

---

**Award of Bid RO1999 - Dell Network Storage Hardware**

---

**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief Support Services Department	<a href="mailto:mikeschroeder@ocfa.org">mikeschroeder@ocfa.org</a>	714.573.6008
Joel Brodowski, IT Manager	<a href="mailto:joelbrodowski@ocfa.org">joelbrodowski@ocfa.org</a>	714.573.6421

**Summary**

This agenda item is submitted for approval of the purchase of Dell network storage hardware from Dell, Inc., the lowest responsive responsible bidder, in the amount of \$152,854.28.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

Approve and authorize the Purchasing Manager to issue a purchase order to Dell, Inc. in the amount of \$152,854.28 (including tax and shipping) for the purchase of network storage hardware.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY2014/15 Capital Improvement Project Fund 124 budget.

**Background**

The OCFA utilizes a high-capacity, fault tolerant, Storage Area Network (SAN) system for storing network accessible computer data for all OCFA departments, archiving the 9-1-1 voice recording system, database storage for the OCFA HRMS Banner system, and data backup storage for the OCFA's virtualized server environment. The current Hewlett Packard system was installed in 2005, is approaching its end of life, and will no longer be supported. It has been planned to be replaced and upgraded in the current fiscal year. On January 13, 2015, an Invitation for Bid (IFB) was issued and 354 vendors were notified. On January 28, 2015, bids were received from Dell, Inc. and Aprisa. Dell, Inc. offered the lowest pricing for the hardware and was 70% lower than the bid received from Aprisa.

**Attachment(s)**

None.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
February 19, 2015

Agenda Item No. 3J  
Consent Calendar

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

---

**Contact(s) for Further Information**

Jeremy Hammond, Director Human Resources Department	<a href="mailto:jeremyhammond@ocfa.org">jeremyhammond@ocfa.org</a>	714.573.6018
Jonathan Wilby, Risk Manager	<a href="mailto:jonathanwilby@ocfa.org">jonathanwilby@ocfa.org</a>	714.573.6832

**Summary**

This agenda item seeks approval to extend the current contract with Universal Protection Services for an additional two months to provide sufficient time to conduct a request for proposal (RFP) and, depending upon the results of the RFP, to transition services to a new contract.

**Prior Board/Committee Action**

Not Applicable.

**Recommended Action(s)**

Approve and authorize the Purchasing Manager to extend the blanket order terms with Universal Protection Services (BO1283) for two additional months through June 30, 2015.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2014/15 budget.

**Background**

In May 2010, OCFA entered into an agreement with Shield Security, Inc. to provide 24-hour site security for the Regional Fire Operations and Training Center (RFOTC). Shield Security, Inc. was purchased by Universal Protection Services during this contract.

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.

The current provider agreement ends April 30, 2015, and OCFA is preparing to release a Request for Proposal for future security guard services. Staff is requesting to extend the contract for two months for a not to exceed amount of \$21,955 which ensures continuity of services during the RFP process.

**Attachment(s)**

None.