



ORANGE COUNTY FIRE AUTHORITY

AGENDA

BOARD OF DIRECTORS REGULAR MEETING
Thursday, January 28, 2016
6:00 P.M.

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

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

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



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

CALL TO ORDER

INVOCATION by OCFA Senior Chaplain Dave Keehn

PLEDGE OF ALLEGIANCE by Director Ta

ROLL CALL

PUBLIC COMMENTS – CLOSED SESSION

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

CLOSED SESSION

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

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

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

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

CLOSED SESSION REPORT

PRESENTATIONS

No items.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR

REPORT FROM THE CLAIMS SETTLEMENT COMMITTEE CHAIR

REPORT FROM THE FIRE CHIEF

- FY 2015/16 Performance Update
- FPPC Training (Wentz)

PUBLIC COMMENTS – PUBLIC SESSION

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

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

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

2. MINUTES**A. Minutes from the November 19, 2015 (1) Regular, and January 7, 2016, (2) Special Board of Directors Meetings**

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

3. CONSENT CALENDAR**A. Amendment to Board Rules of Procedure**

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

Human Resources Committee Recommendation: APPROVE

Recommended Action:

Adopt the proposed Resolution to amend the Board of Directors Rules of Procedure relating to changing the regular meetings of the Human Resources Committee from monthly to quarterly during the months of January, April, July, and October.

B. 2015 Urban Areas Security Initiative Grant Agreement to Transfer Property or Funds

Submitted by: Dave Thomas, Assistant Chief/Operations Department

Budget and Finance Committee Recommendation: APPROVE

Recommended Actions:

1. Approve and authorize the Fire Chief to execute the agreement and any necessary attachments to accept and administer the Urban Area Security Initiative (UASI) Grant Program award.
2. Approve a Budget Adjustment to the FY 2015/16 General Fund (121) to increase revenue and appropriations by \$167,727 for the FY 2015 UASI Grant award.

C. State Lobbying Service Amendment to Agreement

Submitted by: Sandy Cooney, Director/Communications and Public Affairs Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Approve and authorize the Fire Chief to execute the second amendment to the agreement with Nielsen Merksamer Parrinello Gross & Leoni, LLP, for a contract increase of \$80,000 for additional assistance in opposition to AB 1217 or any other legislation, if needed, which forces state-mandated changes to the OCFA board composition or operation lobbying efforts.
2. Approve and authorize the Board Chair to approve and release the use of these additional funds, if needed.
3. Approve a budget adjustment in the FY 2015/16 General Fund (121) budget increasing expenditures by \$80,000 to support this contract.

D. 2016 Grant Priorities

Submitted by: Sandy Cooney, Director/Communications and Public Affairs Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Action:

Approve the 2016 Grant Priorities.

E. Secured Fire Protection Agreements for Irvine Gateway Apartments, Irvine Gateway Townhomes, 7905 Gateway Hotel, and Reata at Oakbrook Village

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

Recommended Actions:

1. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreements with Fairfield Von Karman LLC, related to the Irvine Gateway Apartments (Lot 1) and Irvine Gateway Townhomes (Lot 2) of Tract 17785, in the City of Irvine.
2. Approve and authorize the Fire Chief or his designee to execute a Secured Fire Protection Agreement with Spectrum Hotels, LLC, related to the 7905 Gateway Hotel Project (Parcel 2) of Parcel Map 201-161, in the City of Irvine.
3. Approve and authorize the Fire Chief or his designee to execute a Secured Fire Protection Agreement with Oakbrook Urban Village I, LLC, related to the Reata at Oakbrook Village Tract Map No. 17460, in the City of Laguna Hills.
4. Direct the Clerk of the Authority to record the Secured Fire Protection Agreements in the Official Records of the County of Orange, and furnish the developers copies of the conformed documents within fifteen days of recordation.

F. Final Financial Report for Construction of Fire Station 56

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

Recommended Action:

Receive and file the report.

G. Award of Bid #RO2087 Upgrade of Emergency Power Distribution for the Regional Fire Operations and Training Center

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

Recommended Action:

Approve and authorize the Purchasing Manager to award a public works contract to Computer Network Support & Services, Inc. in the amount of \$370,000 to upgrade emergency power distribution within the Regional Fire Operations and Training Center.

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR**A. Community Risk Reduction Staffing and Workload**

Submitted by: Lori Smith, Assistant Chief/Fire Marshal/Community Risk Reduction Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Approve changes to the Master Position Control list unfreezing the Community Risk Reduction positions as described in the report.
2. Direct staff to include funding in the proposed Mid-Year FY 2015/16 Budget Review and the FY 2016/17 Proposed Budget to restore two frozen positions in the Community Risk Reduction Department, as recommended in the report.

B. Analysis of Field Operations and Staffing for Urban Search & Rescue/Technical Rescue Truck Operations and Hazardous Materials Team Operations

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

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Establish 7.5% specialty compensation for Urban Search & Rescue trained Technical Rescue Truck personnel at an approximate annual cost of \$527,556.
2. Establish 2.5% specialty compensation for Hazardous Material Response Team members who have achieved Specialist Certification and have been assigned to the team for a minimum of two years at an annual cost of \$132,501.
3. Direct staff to include funding for a pro-rated share of this cost in the proposed Mid-Year FY 2015/16 Budget Review.

C. Air Operations Program Enhancements: Staffing, Schedule, and Safety Management System

Submitted by: Dave Thomas, Assistant Chief/Operations Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Approve and authorize the Fire Chief to add one Firefighter/Paramedic post position (three employees) to the Air Operations Helicopter Program at a cost of \$665,256 annually.
2. Direct staff to include funding for a pro-rated share of the annual cost in the proposed Mid-Year FY 2015/16 Budget Review.

D. FY 2015/16 Mid-Year Financial Report

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

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Approve a budget adjustment in Fund 121 increasing expenditures to allocate \$12,609,380 of available unencumbered funds identified in the FY 2014/15 financial audit to OCFA's unfunded pension liability.
2. Approve a budget adjustment in Fund 121 increasing expenditures to increase the FY 2015/16 Jurisdictional Equity Adjustment Payments by \$962,809 resulting in full accrual of the payments per the Second Amendment to the Amended Joint Powers Agreement, pending resolution of the appeal.
3. Approve a budget transfer of \$204,793 from Fund 121 to Fund 12110 to provide full fund balance in Fund 12110 to accommodate all Capital Improvement Program projects.
4. Approve a modification to the Five-Year Capital Improvement Program as proposed.
5. Direct staff to return to the Board of Directors in March 2016 for approval of all additional proposed budget adjustments for the FY 2015/16 budget.

BOARD MEMBER COMMENTS

ADJOURNMENT - The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for February 25, 2016, at 6:00 p.m.

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted in the lobby, front gate public display case, and website of the Orange County Fire Authority, Regional Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 21st day of January 2016.

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

UPCOMING MEETINGS:

Budget and Finance Committee Meeting	Wednesday, February 10, 2016, 12:00 noon
Claims Settlement Committee Meeting	Thursday, February 25, 2016, 5:00 p.m.
Executive Committee Meeting	Thursday, February 25, 2016, 5:30 p.m.
Board of Directors Meeting	Thursday, February 25, 2016, 6:00 p.m.

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Board of Directors Regular Meeting
Thursday, November 19, 2015
6:00 P.M.**

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Board of Directors was called to order on November 19, 2015, at 6:00 p.m. by Chair Hernandez.

INVOCATION

Chaplain Brett Peterson offered the invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Robert Baker, San Clemente
Lisa Bartlett, County of Orange
Craig Green, Placentia
Noel Hatch, Laguna Wood
Robert Johnson, Cypress
Joseph Muller, Dana Point
John Perry, San Juan Capistrano
Don Sedgwick, Laguna Hills
David Sloan, Seal Beach
Michele Steggell, La Palma
Tri Ta, Westminster

Rick Barnett, Villa Park
Carol Gamble, Rancho Santa Margarita
Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Jeffrey Lalloway, Irvine
Al Murray, Tustin
Ed Sachs, Mission Viejo
David Shawver, Stanton
Todd Spitzer, County of Orange
Elizabeth Swift, Buena Park
Phillip Tsunoda, Aliso Viejo

Absent: Angelica Amezcua, Santa Ana
Dwight Robinson, Lake Forest

Jerry McCloskey, Laguna Niguel

Also present were:

Fire Chief Jeff Bowman
Assistant Chief Lori Zeller
Assistant Chief David Thomas
General Counsel David Kendig
Communications Director Sandy Cooney

Assistant Chief Mike Schroeder
Assistant Chief Brian Young
Human Resources Director Jeremy Hammond
Clerk of the Authority Sherry Wentz

ADMINISTRATION OF OATH OF OFFICE FOR THE NEWLY APPOINTED BOARD MEMBERS (F: 11.02C)

Clerk of the Authority Sherry Wentz administered the Oath of Office to newly appointed Director Michele Steggell of La Palma and Director Shelley Hasselbrink of Los Alamitos.

Director Muller arrived at this point (6:05 p.m.).

PUBLIC COMMENTS – CLOSED SESSION (F: 11.11)

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

CLOSED SESSION (F: 11.15)

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

Chair Hernandez recessed the meeting to Closed Session at 6:07 p.m.

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

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

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

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

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(b) - Significant Exposure to Litigation (1 case)

CS3. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Name of Claim: Rex Williamson vs. OCFA

Case Nos.: ADJ800093; ADJ893785; ADJ2570544; ADJ7481878; ADJ292478;
ADJ152481

Authority: Government Code Section 54956.9(a)

Minutes

OCFA Board of Directors Regular Meeting

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Director Tsunoda arrived at this point (7:02 p.m.).

Chair Hernandez reconvened the meeting at 7:08 p.m. with all prior members present.

CLOSED SESSION REPORT (F: 11.15)

General Counsel Kendig indicated the Board had taken no reportable action.

PRESENTATIONS

A. Requests for Commendations and Proclamations (X: 11.09)

On motion of Vice Chair Swift and second by Director Johnson, the Board of Directors voted unanimously by those present to approve the requests as submitted and made presentations to those present.

Chair Hernandez and Chief Bowman presented former Director Warren Kusumoto with a token of appreciation for his service as an OCFA Board Member from 2013-2015.
(F: 11.09)

Assistant Chief David Thomas recognized departing Division Chief Bryan Brice, and introduced newly promoted Division Chief Jeff Adams to the Board. (F: 11.09D)

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

Budget and Finance Committee Vice Chair Swift reported at its November 4, 2015, the Committee voted unanimously to place the Monthly Investment Reports on the Executive Committee's agenda with the recommendation that the Board receive and file the reports. The Committee voted unanimously to place the Annual Statement of Investment Policy, the Audited Financial Reports for FY Ended June 30, 2015, CIP Budget for Fire Station 10, and Phase Two of Service Delivery Enhancements on the Board of Directors agenda with the Budget and Finance Committee's recommendation that the Board approve the recommended actions. The Committee also voted to place the 2015 Long Term Liability Study & Expedited Pension Payment Plan on the Board's agenda with the Budget and Finance Committee's recommendation that the Board approve the recommended action noting Director Sachs voted in opposition, indicating his desire to (1) consider modifying the funding goal for the Expedited Pension Payment Plan from 100% funding of the liability to 85%, and (2) better understand what other department-wide spending priorities may exist.

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

Human Resources Committee Chair Shawver reported at its November 3, 2015, the Committee voted unanimously to receive and file the Organizational Charts presentation. The Committee received updates on Fire Captain testing, Academy 41 progress, Academy 42 candidate selections, open enrollment completed, the “Great California Shake Out”, practice drill, contract negotiations with Local 3631, and OCFA established electronic on-boarding for new employees.

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

Claims Settlement Committee Chair Hernandez stated the Claims Settlement Committee this evening considered a workers’ compensation claim for Michael Tivenan with no reportable action.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Jeff Bowman introduced Assistant Chief David Thomas who presented an operational overview of OCFA’s preparation for El Niño. Assistant Chief Schroeder provided an update on the implementation of PulsePoint.

PUBLIC COMMENTS – PUBLIC SESSION (F: 11.11)

Ray Geagan, President of Orange County Professional Firefighters, Local 3631, provided his public comments on Discussion Item No. 5A - 2015 Long Term Liability Study & Expedited Pension Payment Plan as he was unable to stay for the entire meeting. He commented on the unfunded liability and a letter he sent to the Board on behalf of Local 3631 earlier in the day.

2. MINUTES

A. Minutes from the October 15, 2015, Special Board of Directors Meeting (F: 11.06)

On motion of Director Murray and second by Director Johnson, the Board of Directors voted by those present to approve the Minutes of the October 15, 2015, meeting as submitted. Directors Baker, Bartlett, Hasselbrink, Muller, Perry, Swift, and Tsunoda were recorded as abstaining, due to their absence from the meeting.

3. CONSENT CALENDAR

A. Monthly Investment Reports (F: 11.10D2)

On motion of Director Spitzer and second by Director Shawver, the Board of Directors voted unanimously by those present to receive and file the Monthly Investment reports.

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

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

1. Review and approve the submitted Investment Policy of the Orange County Fire Authority, to be effective January 1, 2016.
2. Pursuant to Government Code Sections 53601 and 53607, renew delegation of investment authority to the Treasurer for a one-year period, to be effective January 1, 2016.

C. Capital Improvement Program Budget for Fire Station 10 (F: 15.04) (X: 19.07C10)

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

1. Approve an update to the FY 2015 – FY 2020 Five-Year Capital Improvement Program (CIP) activating the replacement Fire Station 10 (Yorba Linda) from deferred status.
2. Direct staff to evaluate the timing for the Fire Station 10 construction contract award and if timing is appropriate, include the necessary expenditure budget changes of approximately \$6.5 million in the FY 2015/16 Mid-Year Budget Adjustments that will be reviewed with the Board in January 2016.

D. Secured Fire Protection Agreement: Residential Project-17275 Derian, Irvine (F: 18.14)

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

1. Approve and authorize the Fire Chief or his designee to execute a Secured Fire Protection Agreement with 17275 Derian LLC, related to the residential development at 17275 Derian, in the City of Irvine.
2. Direct the Clerk of the Authority to record the Secured Fire Protection Agreement in the Official Records of the County of Orange, and furnish the developer a copy of the conformed document within fifteen days of recordation.

E. Blanket Order Contract Renewals – Property Management (F: 15.09F)

On motion of Director Spitzer and second by Director Shawver, the Board of Directors voted unanimously by those present to approve and authorize the Purchasing Manager to renew and increase the blanket orders with Expressions Home Gallery and Action Door as proposed.

END OF CONSENT CALENDAR

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

A. 2015 Long Term Liability Study & Expedited Pension Payment Plan (F: 17.06A)

Assistant Chief Lori Zeller introduced Treasurer Tricia Jakubiak, who presented the 2015 Long Term Liability Study and Expedited Pension Payment Plan.

Stephen Wontrobski, Mission Viejo resident, commented on the letter from Local 3631 submitted to the Board, the Expedited Pension Payment Plan, workers' compensation, and the use of private paramedic service versus publicly-funded paramedics.

Discussion ensued.

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

1. Direct staff to continue the Expedited Pension Payment Plan as indicated in the Updated Snowball Strategy.
2. Approve a budget adjustment in Fund 121 to allocate the \$12.6 million of available unencumbered funds identified in the FY 2014/15 financial audit to OCFA's unfunded pension liability.
3. Direct staff to evaluate options identified through discussions with the joint-labor groups to address the Retiree Medical unfunded liability.
4. Direct staff to continue seeking cost-saving options related to Workers' Compensation.

Director Ta left at this point (7:50 p.m.).

Director Sachs voted in opposition. Director Ta was absent for the vote.

B. Audited Financial Reports for the Fiscal Year Ended June 30, 2015 (F: 15.06)

Assistant Chief Lori Zeller introduced General Accounting Manager Tammie Pickens who provided the Audited Financial Reports for the Fiscal Year-Ended June 30, 2015.

Stephen Wontrobski, Mission Viejo resident, repeated his PRA request to review the Lance, Soll & Lunghard working papers.

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

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

Director Ta was absent for the vote.

C. Service Delivery Enhancements – Phase Two (F: 18.13)

Assistant Chief Brian Young presented the Service Delivery Enhancements-Phase Two report.

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

1. Direct staff to include funding for the Phase-Two enhancements in the proposed Mid-Year FY 2015/16 Budget Adjustments.
2. Direct staff to continue to evaluate and recommend the phase-in of service enhancements, as feasible, at six month intervals.

Director Ta was absent for the vote.

BOARD MEMBER COMMENTS (F: 11.13)

Director Green reported attending the OCFA Reserve Firefighter Academy Graduation.

Director Hasselbrink reported attending the OCFA Reserve Firefighter Academy Graduation.

Director Johnson thanked Fire Chief Bowman, Division Chief Steffen, and Division Captain Wilkes for attending the city of Cypress first Prayer Breakfast.

Director Shawver wished everyone a Happy Thanksgiving.

Director Murray thanked Fire Chief Bowman, Division Chief Black, and Battalion Chief Roberts for attending Tustin's Prayer Breakfast. He thanked Director Spitzer, Director Lalloway, Communications Director Cooney, and Community Relations Supervisor Hamm for their work and support for the Drowning Prevention Task Force.

Director Bartlett reported the County of Orange will be holding El Niño workshops in all of the supervisorial districts.

Director Perry stated he had spent time in Paris prior to the recent terrorist attacks, and commended all firefighters world-wide.

Director Sloan commended Fire Chief Bowman and staff on the implementation of the Service Delivery Phase Two Enhancements.

Chair Hernandez thanked his fellow Board Members for their service and noted his attendance at the OCFA Reserve Firefighter Academy Graduation.

ADJOURNMENT – Chair Hernandez adjourned the meeting at 8:53 p.m. in memory of Downey Police Officer Ricardo Galvez who was fatality shot during a botched robbery attempt on November 18, 2015, and for the people in Paris, France, who were victims of the coordinated terrorists’ attacks on November 13, 2015. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for January 28, 2016, at 6:00 p.m.

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

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Board of Directors Special Meeting
Thursday, January 7, 2016
6:00 P.M.**

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

CALL TO ORDER

A special meeting of the Orange County Fire Authority Board of Directors was called to order on January 7, 2016, at 6:00 p.m. by Chair Hernandez.

INVOCATION

Senior Chaplain Dave Keehn offered the invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Robert Baker, San Clemente
Lisa Bartlett, County of Orange
Craig Green, Placentia
Noel Hatch, Laguna Woods
Robert Johnson, Cypress
Jerry McCloskey, Laguna Niguel
Al Murray, Tustin
Dwight Robinson, Lake Forest
David Shawver, Stanton
David Sloan, Seal Beach
Elizabeth Swift, Buena Park
Phillip Tsunoda, Aliso Viejo

Rick Barnett, Villa Park
Carol Gamble, Rancho Santa Margarita
Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Jeffrey Lalloway, Irvine
Joseph Muller, Dana Point
John Perry, San Juan Capistrano
Ed Sachs, Mission Viejo
Don Sedgwick, Laguna Hills
Michele Steggell, La Palma
Tri Ta, Westminster

Absent: Angelica Amezcua, Santa Ana

Todd Spitzer, County of Orange

Also present were:

Assistant Chief Mike Schroeder
Assistant Chief Lori Zeller
General Counsel David Kendig
Clerk of the Authority Sherry Wentz

Assistant Chief Lori Smith
Communications Director Sandy Cooney
Human Resources Director Jeremy Hammond

PUBLIC COMMENTS – PUBLIC SESSION (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, addressed his concerns with pension liability and the unfunded actuarial accrued liability (UAAL) impacts to OCFA member agencies.

PUBLIC COMMENTS – CLOSED SESSION (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, addressed Closed Session Agenda Item No. 1, regarding his concerns of the competence of labor negotiators, and Closed Session Agenda Item No 2, regarding his concerns about the Second Amendment to the Joint Powers Authority Agreement and his concerns with variable costs for services per person based upon city.

CLOSED SESSION (F: 11.15)

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

Chair Hernandez recessed the meeting to Closed Session at 6:15 p.m.

CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy and Whitmore

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

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

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

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

Director Robinson arrived at this point (6:26 p.m.).

Director Tsunoda arrived at this point (6:28 p.m.).

Director Ta left at this point (8:10 p.m.).

Director Bartlett left at this point (8:30 p.m.).

Minutes

OCFA Board of Directors Special Meeting

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Chair Hernandez reconvened the meeting at 8:49 p.m.

CLOSED SESSION REPORT (F: 11.15)

General Counsel Kendig stated there were no reportable actions taken from Closed Session.

ADJOURNMENT – Chair Hernandez adjourned the meeting at 8:50 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, January 28, 2016, at 6:00 p.m.

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



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3A
Consent Calendar

Amendment to Board Rules of Procedure

Contact(s) for Further Information

Lori Zeller, Assistant Chief
Business Services Department

lorizeller@ocfa.org

714.573.6020

Sherry Wentz, Clerk of the Authority

sherrywentz@ocfa.org

714.573.6041

Summary

This item is submitted for consideration of an amendment to modify Rule 10(d) of the Board of Directors Rules of Procedure relating to the time of regular Human Resources Committee (HRC) meetings.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

At its regular January 5, 2016, meeting, the Human Resource Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

Adopt the proposed Resolution to amend the Board of Directors Rules of Procedure relating to changing the regular meetings of the Human Resources Committee from monthly to quarterly during the months of January, April, July, and October.

Impact to Cities/County

Not Applicable.

Fiscal Impact

There will be a potential hard cost savings of approximately \$9,765 associated with meeting on a quarterly-basis due to a reduction in stipend payments, meal service, and legal counsel services; and additional soft cost savings in issuing and posting cancellation notices.

Background

The Board of Directors Rules of Procedure set forth the protocols and procedures pertaining to meetings of the Board of Directors and its standing committees. The Board Rules are periodically reviewed and amended as appropriate. Staff is recommending the following amendment:

Rule 10(d) – The Standing Committees (Human Resources Committee)

On January 23, 2014, the Board of Directors authorized the establishment of the HRC as an additional standing committee to serve in an advisory capacity to staff and the Board of Directors on personnel related subjects. The Board Rules of Procedure allowed the HRC to establish its regular meeting dates/time, and on September 2, 2014, the Committee designated the first Tuesday of each month at 12 noon as its regular meeting dates/time.

At its last meeting during Committee member comments, the subject was raised to consider changing the regular HRC meetings from meeting on a monthly-basis to a quarterly-basis. Since this discussion was not on the scheduled agenda, the Committee requested the consideration of this proposed change to meeting frequency be placed on its next regular agenda.

Staff concurs with the recommendation to change the regular meeting frequency, since many of the HRC meetings during the past year were cancelled due to a lack of business. In changing the meetings to quarterly, the Clerk of the Authority will no longer need to issue and post notices of cancellation nor contact HRC members to confirm the cancellation. There are also additional hard cost savings as outlined in the fiscal impact. Should the need arise, a special meeting may be called for business needed to be considered in advance of a regularly scheduled meeting.

Attachment(s)

Proposed Resolution

RESOLUTION NO. 2016-XX

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY
AMENDING THE BOARD OF DIRECTORS RULES OF PROCEDURE
TO CHANGE THE REGULAR MEETINGS OF THE HUMAN
RESOURCES COMMITTEE**

WHEREAS, the Orange County Fire Authority Board of Directors adopted Resolution No. 99-04, on January 28, 1999, establishing the Board of Directors Rules of Procedure, and

WHEREAS, the Board of Directors has periodically amended said Rules, the most recent amendment occurring on October 15, 2015; and

WHEREAS, the Board is considering amendments to these Rules.

NOW, THEREFORE, BE IT RESOLVED as follows:

The Board of Directors Rules of Procedures is amended as indicated by the redline version attached hereto as Exhibit A.

PASSED, APPROVED and ADOPTED this 28th day of January 2016.

GENE HERNANDEZ, CHAIR
OCFA Board of Directors

ATTEST:

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

OCCA BOARD OF DIRECTORS



ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS RULES OF PROCEDURE (Last Revision: ~~10/15/15~~01/28/16)

- Rule 1 Time and Place of Meetings of the Board of Directors and the Executive Committee
- Rule 2 Agendas/Minutes for Meetings of the Board of Directors
- Rule 3 Order of Business for Meetings of the Board of Directors
- Rule 4 Motions During Meetings of the Board of Directors
- Rule 5 Decorum for Public Meetings
- Rule 6 Election of Chair and Vice Chair of the Board of Directors/
Absence of Presiding Officer
- Rule 7 Retention of Exhibits and Documentary Material received in
Hearings Before the Board of Directors
- Rule 8 Ceremonial Functions and Proclamations
- Rule 9 The Executive Committee
- Rule 10 The Standing Committees
- Rule 11 Designated Labor Negotiators
- Rule 12 Provision of Requested Materials by Board Members
- Rule 13 Compensation/Reimbursement for Expenses
- Rule 14 Amendment of Rules of Procedure

RULE 1. TIME AND PLACE OF MEETINGS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

- (a) Except as otherwise provided in this Rule or by Resolution of the Board, a regular meeting of the Board of Directors shall be held on the fourth Thursday of each odd-numbered month, commencing at the hour of 6:00 p.m. in the Board Meeting Room, Regional Fire Operation and Training Center (RFOTC), One Fire Authority Road, Irvine. The meeting for the month of November shall be scheduled for the third Thursday, commencing at the hour of 5:30 p.m. in the Board Meeting Room, RFOTC, One Fire Authority Road, Irvine. Special meetings may occur on other dates, times, and/or locations as noticed.
- (b) Except as otherwise provided in this Rule, a regular meeting of the Executive Committee shall be held on the fourth Thursday of each month, with the exception of December, commencing at the hour of 5:30 p.m. in the Board Meeting Room, RFOTC, One Fire Authority Road, Irvine. Due to the

Thanksgiving holiday, the regular November Executive Committee meeting business will be combined with the Board of Director's meeting. Special meetings may occur on other dates, times, and/or locations as noticed.

- (c) The Clerk of the Authority shall maintain the official meeting calendar, and shall post same in the display case located in the lobby of the Board Meeting Room and posting case outside main entry gate, RFOTC, One Fire Authority Road, Irvine.
- (d) Any meeting of the Board may be adjourned to any other date and time when necessary for the transaction of business. Any adjourned meeting of the Board is part of a regular meeting.
- (e) Special meetings of the Board may be called pursuant to and in accordance with Section 54956 of the Government Code. The Clerk shall prepare the notice and call of any special meeting. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such special meeting. A copy of the notice of the special meeting shall also be posted at the places designated in subsection (c) of Rule 1.
- (f) In the event the Board or Executive Committee, or their respective Chairs, determine it advisable to hold a regular meeting at a location other than the Board Meeting Room, RFOTC, One Fire Authority Road, Irvine, a notice specifying the location of such meeting shall be posted in the display case in the lobby of the Board Meeting Room and posting case outside main entry gate, RFOTC, One Fire Authority Road, Irvine. Additional notices shall be posted and maintained as set forth in (c) above.

RULE 2. AGENDAS/MINUTES FOR MEETINGS OF THE BOARD OF DIRECTORS

- (a) Items for the agenda for any regular meeting of the Board may be included on the agenda only with the approval of the Fire Chief or the Chair of the Board.
- (b) During the Board Member Comments portion of a Board meeting, any member may request that an item be placed on a future agenda of the Board of Directors. Staff will prepare reports as appropriate and place the item on the agenda for the next meeting of the Board of Directors. At any other time, any Board Member may contact the Chair to request that an item be placed on the agenda of the next meeting of the Board of Directors. This item will be placed on the Board Discussion Calendar portion of the agenda for concurrence by the Board. No staff reports or materials will be prepared until the full Board directs that the item be placed on an agenda.
- (c) As required by the Ralph M. Brown Act, items not on the posted agenda for a meeting shall not be considered by the Board except as follows:
 - (1) Upon determination by a majority vote of the Board that an emergency situation exists. The determination shall be made prior to Board consideration of the emergency item. An emergency situation is limited to:
 - (a) Work stoppage or other activity which severely impairs public health, safety or both.

- (b) Crippling disaster which severely impairs public health, safety or both.
- (2) Upon determination by a two-thirds vote of the Board Members present, or a unanimous vote if less than two-thirds of the Members are present, that there is a need to take immediate action and that the need came to the attention of the Authority subsequent to the agenda being posted. The determination shall be made prior to Board consideration of the item.
- (3) The item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item and at which prior meeting, the item was continued to the meeting at which action is being taken.
- (d) The OCFA Board has adopted the use of Robert's Rules of Order as its official guideline in the creation of minutes. All Board/Committee meeting will be documented using action-type minutes. Minutes will document the record of what actions were taken by the governing body, not what was said. The minutes will not contain personal comments or someone's opinion about what happened.
 - (1) The minutes shall document the items identified in Rule 3 in the Board's Order of Business.
 - (2) Public comments will identify the name of the speaker, their city of residences/or organization they represent (if provided by the speaker), and identify the subject to which their comments are being submitted. If commenting on a specific agenda item, the minutes will record the speaker's name, their city of residences/or organization they represent (if provided), and identify if they are speaking in support or opposition of that item.
- (e) "Notwithstanding any provision in these Rules to the contrary, no Memorandum of Understanding, or amendment, codicil, side letter, or any other modification to a Memorandum of Understanding, including any such documents negotiated pursuant to a reopener clause, between the Orange County Fire Authority and any employee bargaining unit ("proposed labor agreement"), shall be heard as an item on a Board agenda until and unless, at the time of the meeting during which the matter is heard by the Board, seven days has passed since the later of the following to occur: (1) the Clerk of the Authority has published a copy of the proposed document on the OCFA public website; and (2) the members of the employee bargaining unit have ratified the proposed labor agreement."

RULE 3. ORDER OF BUSINESS FOR MEETINGS OF THE BOARD OF DIRECTORS

- (a) The business for regular meetings of the Board shall include:
 - Invocation
 - Pledge of Allegiance
 - Roll Call
 - Presentations
 - Committee Reports
 - Fire Chief's Report
 - Public Comments
 - Minutes

Consent Calendar

- (1) Agenda review at call of the Chair to identify those items on the Consent Calendar which a member of the Board or public requests the opportunity to discuss.
- (2) Approval at the call of the Chair of those items for which there is no request for discussion.
- (3) Discussion of items that the public has requested an opportunity to discuss shall be taken in sequential order.

Public Hearing(s)

Discussion Calendar

Closed Session

Closed Session Report

Adjournment

The Chair may alter or deviate the order of business.

- (b) 9:30 p.m. Rule: At the hour of 9:30 p.m. the meeting will take a brief moment from the agenda at hand and make a determination as to which items will be considered and those that may be continued to the next regular meeting.
- (c) 10:30 p.m. Curfew: All meetings will end business at 10:30 p.m. unless the hearing body elects to extend the curfew by a three-fifths vote of all members present.

RULE 4. MOTIONS DURING MEETINGS OF THE BOARD OF DIRECTORS

- (a) Action of the Board shall be taken by motion. Any action of the Board may be proposed by the motion of any Member. Such a motion, if seconded by any member, shall be on the floor and must be considered, unless a substitute motion has been made, seconded, and adopted. If a motion is not seconded, the motion fails for lack of a second, and shall be so declared by the Chair.
- (b) A motion may be withdrawn or amended by its maker at any time before adoption or rejection, with the consent of the second. Absent the consent of the second, the original motion shall remain on the floor. The second to a motion may be withdrawn by the seconder at any time before adoption or rejection of the motion. Upon withdrawal of the second, the motion will be lost for lack of a second and so declared by the Chair unless seconded by another Member.
- (c) After a motion has been seconded, any Member may discuss the subject of the motion. The Chair may, on any motion, call for the vote if it appears that further discussion will be repetitious or that a majority of the Members present concur in the call.
- (d) A motion to reconsider the vote on an agenda item may be made at the meeting at which the item was acted upon, or any adjourned session of the same meeting.

RULE 5. DECORUM FOR PUBLIC MEETINGS

- (a) Members of the Board shall conduct themselves in an orderly and business-like manner to ensure that the business of the Authority shall be attended to efficiently and thoroughly and to ensure that the integrity of the deliberative process of the Board is maintained at all times. Members of the Board shall maintain a polite, respectful, and courteous manner when addressing one another, Authority staff, and members of the public during the meetings.
- (b) Subject to direction by a majority of the Board, the Chair, or in the Chair's absence the Vice Chair, or in their absence any other member designated by the Board, shall be responsible for resolving all procedural issues and for maintaining the orderly conduct and decorum of meetings. It shall be the duty of the Chair to ensure that the rules of decorum contained herein are observed. The Chair shall maintain control of communication among Board Members, and between Board Members and the public.
- (c) Communication by Board Members
 - 1. Board Members should be recognized by the Chair before speaking.
 - 2. A Board Member who is speaking shall remember that the purpose of the meeting is to attend to and resolve Authority business. Board Members shall avoid repetition and shall endeavor to limit their comments to the subject matter at hand. Board Members shall endeavor to express their views without engaging in lengthy debates.
 - 3. When one Board Member is speaking, other Board Members shall not interrupt or otherwise disturb the speaker.
- (d) Communication with members of the public addressing the Board.
 - 1. Board Members may question the person addressing the Board at the conclusion of the person's comments. A Board Member wishing to ask questions of a member of the public should first be recognized by the Chair.
 - 2. Board Members shall not engage the person addressing the Board in a dialogue, but shall confine communication to a question and answer format.
 - 3. If a member of the audience has addressed the Board on matters which are not on the agenda, Board Members shall refrain from extended discussions of the matter. If a Board Member so wishes, he/she may, during the Board Member Comments portion of the meeting, request that the matter be placed on a future agenda.
- (e) Authority Staff shall not engage in a dialogue with members of the public during Board meetings. When addressed by the Board, staff shall respond in a polite and respectful manner.
- (f) Members of the Audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, clapping, whistling, and stamping of feet or other acts which disturb, disrupt, impede or otherwise render the orderly conduct of the Board meeting unfeasible. A member of the audience engaging in any such conduct shall, at the discretion of the Chair or a majority of the Board Members, be subject to removal from that meeting.

- (g) Members of the public may address the Board of Directors during the Public Comment Period and prior to the consideration of any agenda item. Any person wishing to speak, whether during the Public Comment Period or on an agenda item, shall first complete a request to speak form slip and submit the form to the Authority Clerk prior to the calling to order of the meeting or as soon as possible thereafter.
- (h) No person shall address the Board of Directors without first being recognized by the Chair.
- (i) The purpose of addressing the Board of Directors is to formally communicate to the Board on matters relating to Authority business or citizen concerns within the subject matter jurisdiction of the Board. Persons addressing the Board on an agenda item shall confine the subject matter of their remarks to the particular matter before the Board.
- (j) Each person addressing the Board of Directors shall do so in an orderly manner and shall not engage in any conduct, which disrupts, disturbs, or otherwise impedes the orderly conduct of the Board meeting. Any person, who so disrupts the meeting shall, at the discretion of the Chair or a majority of the Board Members, be subject to removal from that meeting.
- (k) Persons addressing the Board of Directors shall address the Board as a whole and shall not engage in a dialogue with individual Board Members, Authority staff, or members of the audience.
- (l) A time limit of approximately three minutes per person shall be allocated to all persons addressing the Board of Directors, however, at the discretion of the Chair, an individual speaking on behalf of a group sharing common concerns or opinions may be allocated additional time to speak for the group. A total of approximately thirty minutes will be allocated at the beginning of the meeting for Public Comments, with additional time granted at the discretion of the Chair. If needed, additional time for Public Comments will be provided at the conclusion of the normal business of the Board.
- (m) Upon a violation of the rules of decorum established herein, the procedure to enforce the rules is as follows:
 - 1. Warning The Chair shall first request that a person who is violating the rules cease such conduct. If, after receiving a request from the Chair, the person persists in violating these rules, the Chair shall order a recess. Any representative of the local assigned law enforcement personnel who is present at the meeting when the violation occurred shall be authorized to warn the person that his/her conduct is violating the rules and that he/she is requested to cease such conduct. If upon resumption of the meeting the violation persists, the Chair shall order another recess, whereupon the local assigned law enforcement personnel shall have the authority to order the person removed from the meeting and/or cited in violation of Penal Code Section 403.
 - 2. Motion to Enforce If the Chair of the Board fails to enforce the rules of decorum set forth herein, any Board Member may move to require the Chair to do so, and an affirmative vote of a majority of the Board shall require the

Chair to do so. If the Chair fails to carry out the will of the majority of the Board, the majority may designate another Board Member to act as Chair for the limited purpose of enforcing the rules of decorum established herein.

3. Clearing the Room Pursuant to Government Code Section 54957.9, in the event that any meeting is willfully interrupted by a person or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of the individuals who are willfully interrupting the meeting, by a majority vote of the Board Members the meeting room may be ordered cleared and the meeting shall continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this Section 54957.9.
4. Violation of the California Penal Code A person or persons who substantially impair(s) the conduct of a Board meeting by knowingly and intentionally violating these rules of decorum may be prosecuted under Penal Code Section 403 for disturbing a public meeting. Every person who violates Penal Code Section 403 is guilty of a misdemeanor.

RULE 6. ELECTION OF CHAIR AND VICE CHAIR OF THE BOARD OF DIRECTORS/ABSENCE OF PRESIDING OFFICER

- (a) The officers of the Board are the Chair and Vice Chair.
- (b) Elections for Chair and Vice Chair shall be held at the first meeting of each calendar year.

The method of nomination and election of the Chair and Vice Chair will be at the discretion of the Board.

- (c) The Presiding Officer of the Board shall be the Chair, or in the Chair's absence the Vice Chair, followed by the Immediate Past Chair, then the Budget and Finance Committee Chair.

RULE 7. RETENTION OF EXHIBITS AND DOCUMENTARY MATERIAL RECEIVED IN HEARINGS BEFORE THE BOARD OF DIRECTORS

All exhibits, including documentary materials such as photographs, drawings, maps, letters, petitions, and other physical evidence received by the Board at hearings shall be retained by the Clerk as part of the record of the hearings. To the extent possible, the Clerk may furnish copies of such materials to persons requesting them upon payment of the fee prescribed for copies of public records.

RULE 8. CEREMONIAL FUNCTIONS AND PROCLAMATIONS

The Chair is authorized to represent the Authority at ceremonial functions, proclamation ceremonies, and other similar events when the Board has not otherwise designated one of its Members to represent the Authority.

RULE 9. THE EXECUTIVE COMMITTEE

- (a) The Executive Committee shall conduct all business of the Authority, with the exception of policy issues, including labor relations, budget issues, and other matters specifically retained by the Board of Directors.
- (b) The Executive Committee shall consist of no more than nine members of the Board of Directors. Members of the Executive Committee shall serve until a new member is seated in their stead by virtue of appointment or assumption of one of the designated positions. The Executive Committee membership is comprised of the following designated positions: the Chair and Vice Chair of the Board of Directors, the immediate past Chair of the Board, and the Chair of the Budget and Finance Committee. In addition, membership as constituted, shall include at least one member of the County Board of Supervisors. The Chair shall appoint the remaining at-large members, who shall serve subject to approval by majority vote of the Directors present at a subsequent meeting. Said members are authorized to serve pending such vote of the Board. In the selection of at-large members, appointments shall be made in such a manner as to achieve approximately the ratio of cash contract cities to total member agencies of the Authority. The Chair of the City Managers Technical Advisory Committee shall serve as the ex officio non-voting member of the Executive Committee and shall not be included in the determination of a quorum for any meeting.
- (c) The Chair shall appoint a three-member panel of structural fire fund Alternate Directors and a three-member panel of cash contract city Alternate Directors. If an at-large member of the Executive Committee notifies the Clerk of the Authority that he or she cannot attend an Executive Committee meeting, the Clerk shall call, on a rotating basis, Alternate Directors from the respective panels in an attempt to replace a structural fire fund Director with a structural fire fund Alternate and/or a cash contract city Director with a cash contract city Alternate, as the case may be.

In the absence of the member of the Executive Committee representing the County Board of Supervisors, the Alternate voting member shall be the second regular member of the Board of Directors representing the County Board of Supervisors.

In the absence of the Budget and Finance Chair, the Alternate voting member shall be the Vice Chair of the Budget and Finance Committee.

Should the position of Immediate Past Chair on the Executive Committee become vacant, the most recent past Chair, who is a Director and who is not currently seated on the Executive Committee, shall serve in that capacity. Should there be no prior Board Chair on the Board of Directors, the current Director with the most tenure and not currently seated as a member of the Executive Committee will be seated on the Executive Committee and shall serve in the interim until there is an Immediate Past Chair.

There shall be no Alternate Directors appointed in the absence of the Chair, Vice Chair, or immediate past Chair.

Should the Board Chair or Vice Chair be unable to officiate over a Board and/or Executive Committee meeting that the Immediate Past Chair followed by the Budget and Finance Committee Chair assume the duty of presiding over the meeting.

RULE 10. THE STANDING COMMITTEES

- (a) Standing Committees may be established by the Board of Directors for the purpose of facilitating a thorough review of various issues before presentation to and action by the full Board. Alternate Directors shall not act as alternates for Directors on standing committees.
- (b) The Budget and Finance Committee shall be established as a standing committee. The regular meetings of the Budget and Finance Committee will be on the second Wednesday of each month, with the exception of December, at 12 noon located in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
 - (1) The Chair shall make all appointments to the Budget and Finance Committee. Appointments to the Budget and Finance Committee shall be made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing Structural Fire Fund and Cash Contract cities.
 - (2) At the first meeting of the Budget and Finance Committee following the annual election of the Chair and Vice Chair of the Board of Directors, the Directors assigned to the Budget and Finance Committee shall elect from their members a Chair and Vice Chair of the Committee.
 - (3) The Chair, or in his/her absence, the Vice Chair, of the Budget and Finance Committee shall serve as a member of the Executive Committee.
 - (4) Items for the agenda for any regular meeting of the Budget and Finance Committee shall be included on the agenda only with the approval of the Committee Chair or the Staff Liaison.
 - (5) The Board of Directors, through the Chair, shall appoint one City Manager to the Budget and Finance Committee. The City Manager shall serve as an ex officio non-voting member of the Budget and Finance Committee. As an ex officio member, the City Manager shall not be included in the determination of a quorum for any meeting.
- (c) The Claims Settlement Committee shall be established as a standing committee. The regular meetings of the Claims Settlement Committee will be at 5:30 p.m., prior to and on the same days as the regular meetings of the Executive Committee meetings. The Committee will meet in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
 - (1) The Claims Settlement Committee consists of the Board Chair and Vice Chair, the Budget and Finance Committee Chair, the Human Resources Committee Chair, the Fire Chief, and the Human Resources Director. The Fire Chief's designee shall, in the absence of the Fire Chief, be an alternate

Committee member. The Risk Manager shall in the absence of the Human Resources Director, be an alternate Committee member. In the absence of a member of the Board of Directors, the absent member may designate in writing, filed with the Clerk of the Authority, an alternate Committee member from the Executive Committee who may attend and participate to the full extent as the designated Committee member.

- (2) Staff to the Committee will be the Risk Manager or his or her designee. Additional subject matter experts may attend Committees as necessary.
- (3) The Claims Settlement Committee shall have authority to (a) settle workers' compensation claims for amounts over \$50,000, not to exceed \$250,000, exclusive of any statutorily required future medical payments; (b) settle non-workers' compensation claims for amounts over \$50,000, not to exceed \$250,000; and (c) advise and recommend to OCFA's attorney of record the settlement of any lawsuit in an amount not to exceed \$250,000.
- (d) The Human Resources Committee shall be established as a standing committee. The regular meetings of the Human Resources Committee will be established by the Committee. The date and time selected by the Human Resources Committee is to meet on a quarterly basis on the first Tuesday of each during the months of January, April, July, and October at 12 noon. The Human Resources Committee will meet in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
 - (1) The Human Resources Committee shall not exceed seven members of the Board of Directors. The Chair shall make all appointments to the Human Resources Committee. Appointments to the Human Resources Committee shall be made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing Structural Fire Fund and Cash Contract cities.
 - (2) At the first meeting of the Human Resources Committee following the annual election of the Chair and Vice Chair of the Board of Directors, the Directors assigned to the Human Resources Committee shall elect from its members a Chair and Vice Chair of the Committee.
 - (3) Staff to the Committee will be the Human Resources Director or his or her designee. Additional subject matter experts may attend Committees as necessary.
 - (4) The Human Resources Committee shall advise OCFA staff and make recommendations to the Board of Directors on matters regarding human resources policies; job class specifications, compensation programs; benefit changes and renewals; labor negotiations; staff training, development and recognition programs; succession planning; risk management and workers' compensation policies; and development of management/performance evaluation and information systems.

RULE 11. DESIGNATED LABOR NEGOTIATORS

- (a) For purposes of holding a closed session concerning compensation and benefits for the Fire Chief, the Board of Directors' designated representatives shall be the Chair, the Vice Chair, the Immediate Past Chair, and the Budget and Finance Committee Chair. Should the Board and/or Budget and Finance Committee reorganize prior to the completion of the Fire Chief's evaluation process the negotiators that began the process will complete the evaluation.
- (b) For purposes of holding a closed session concerning compensation and benefits for all other represented and unrepresented employees, the Board of Directors' designated representatives shall be the Fire Chief's designee, the Human Resources Director and any other representative so designated at a meeting of the Board of Directors.

RULE 12. PROVISION OF REQUESTED MATERIALS BY BOARD MEMBERS

- (a) Should an individual Board Member request information or materials that: (i) are not currently maintained by the OCFA in its normal course of business, and (ii) would require significant staff resources for research or analysis to create a document or to prepare or compile the information, then the requesting Board Member shall seek approval from the Board Chair who shall either approve the request or agendize the consideration to authorize the request at the next Board meeting.
- (b) Should a Board Member or a member agency make a Public Records Act request for official business purposes, in keeping with the current fee schedule, the Board Member or its member agency will not be charged a fee for this service. This privilege is not to be used as a means for members of the public to circumvent the fees approved by the Board of Directors associated with records requests. Any records produced in response to a Board Member or member agency official business requests shall be made available to all Board Members along with a summary of the hard and soft costs involved in the provision of the requested records.
- (c) Any Board Member requesting records for purposes other than official use will be charged any applicable fees approved by the Board of Directors that are associated with the request.

RULE 13. COMPENSATION/REIMBURSEMENT FOR EXPENSES

- (a) Compensation: Members of the Board of Directors are entitled to receive \$100 per meeting per day, with a maximum of \$300 per month, for voting member attendance at OCFA publicly noticed (Brown Act compliant) meetings and the monthly Chair/Chief meeting.
- (b) Authorized Expenses: OCFA funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized OCFA business. The following types of occurrences qualify a Board Member to receive payment and/or reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses, and generally constitute authorized expenses, as long as the other requirements of this policy are met:

- 1) Communicating with representatives of regional, state and national government on OCFA adopted policy positions;
- 2) Attending conferences designed to improve Board Member's expertise and information levels, including, but not limited to, ethics training required pursuant to California Government Code Section 53234;
- 3) Participating in regional, state and national organizations whose activities affect OCFA's interests;
- 4) Recognizing service to OCFA (for example, acknowledging a longtime employee with a retirement gift or celebration of nominal value and cost);
- 5) Attending OCFA events.

All other expenditures require prior approval by the OCFA Board of Directors at a public meeting. The following expenses also require prior Board of Directors' approval:

- 1) International travel;
- 2) Expenses exceeding \$2,500 per person, per trip.

Examples of personal expenses that OCFA will not reimburse include, but are not limited to:

- 1) The personal portion of any trip;
- 2) Political contributions or events;
- 3) Family expenses, including partner's expenses when accompanying a Board Member on OCFA-related business, as well as children or pet-related expenses;
- 4) Charitable contributions or events, unless the event has a direct relationship to OCFA business, (for example, acknowledging extraordinary deeds by OCFA personnel) is approved by the Fire Chief and does not exceed \$250;
- 5) Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;
- 6) Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;
- 7) Personal losses incurred while on OCFA business.

Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

- (c) Expense and Reimbursement Guidelines: To conserve OCFA resources and keep expenses within appropriate standards for public officials, expenditures, whether paid directly by OCFA or reimbursed to a Board Member, Members should adhere to the following guidelines. Unless otherwise specifically provided, reimbursement for travel, meals, lodging, and other actual and necessary expenses shall be at the Internal Revenue Service rates presently in effect as established in Publication 463 or any successor publication.

Transportation: The most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements must be used, using the most direct and time-efficient route. In the event that a more expensive transportation form or route is used, the cost borne by OCFA will be limited to the cost of the most economical, direct, efficient and reasonable transportation form. Government and group rates offered by a provider of transportation services shall be used when available.

Automobile mileage is reimbursable at Internal Revenue Service rates in effect at the time of travel (see www.irs.gov). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

Reasonable and necessary charges for public transportation, taxi, or shuttle service are reimbursable at actual cost with receipts.

Rental vehicles may be used during out-of-county travel and will be reimbursed at actual cost. Rental vehicles may be used when the efficient conduct of OCFA business precludes the use of other means of transportation or when car rental is the most economical mode available. Itemized original receipts must be submitted with vehicle rental claims.

Lodging: Actual lodging costs will be reimbursed or paid for when travel on official OCFA business reasonably requires an overnight stay. If such lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the group rate published by the conference or activity sponsor for the meeting in question, provided that the group rate is available at the time of booking. Government and group rates offered by a provider of lodging services shall be used when available.

Non-reimbursable lodging-related expenses include, but are not limited to, costs for an extra person staying in the room, costs related to late checkout or uncanceled reservations, in-room pay-per-view movie rentals, and non-OCFA business related phone calls. Itemized receipts must accompany claims for lodging reimbursements.

Meals: Meal expenses and associated gratuities should be moderate, taking into account community standards and the prevailing restaurant costs of the area. OCFA will pay the actual cost of the meals, but will not pay for alcohol/personal bar expenses.

Telephone/Fax/ Cellular: Board Members will be reimbursed for actual telephone and fax expenses incurred on OCFA business. Telephone bills should identify which calls were made on OCFA business. For cellular calls when the Board Member has a particular number of minutes included in the Board Member's plan, the Board Member can identify the percentage of calls made on OCFA business.

Airport Parking: Long-term parking should be used for travel exceeding 24-hours. OCFA will pay the actual cost of long-term parking.

Other: Baggage handling at then current airport baggage rates per bag and gratuities of up to 15 percent will be reimbursed.

Miscellaneous: Actual expenses for registration, tuition, and parking are reimbursable for OCFA authorized business. Miscellaneous expenses must be supported with itemized receipts.

Expenses for which Board Members receive reimbursement from another agency are not reimbursable.

- (d) Expense Report Content and Submission Deadline: Expense reports must document that the expense in question meet the requirements of the policy. For example, if the meeting is with a legislator, the Board Member should explain whose meals were purchased, what issues were discussed and how those relate to the Authority's adopted legislative positions and priorities.

Board Members must submit their expense reports within 30 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Receipts for gratuities and tolls under \$5 are not required.

- (e) Audits of Expense Reports: All expenses are subject to verification of compliance with this policy.
- (f) Reports to Governing Board: At the following Board of Directors' meeting, each Board Member shall briefly report on meetings attended at OCFA expense. If multiple Board Members attended, a joint report may be made.
- (g) Compliance with Laws: Board Members should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act.
- (h) Violation of this Policy: Misuse of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: 1) loss of reimbursement privileges, 2) a demand for restitution to OCFA, 3) OCFA's reporting the expenses as income to the elected official to state and federal tax authorities, and 4) prosecution for misuse of public resources.

RULE 14. AMENDMENT OF RULES OF PROCEDURE

No rule of the Board shall be adopted or amended except by resolution adopted by the Board.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3B
Consent Calendar

**2015 Urban Areas Security Initiative Grant
Agreement to Transfer Property or Funds**

Contact(s) for Further Information

Dave Thomas, Assistant Chief
Operations Department

davidthomas@ocfa.org

714.573.6012

Marc Stone, Battalion Chief
Emergency Planning and Coordination

marcstone@ocfa.org

714.573.6056

Summary

This item is submitted for approval of the FY 2015 Urban Area Security Initiative (UASI) Grant Program award and for authorization for the Fire Chief to execute the necessary agreement. The grant resources will be utilized to enhance the OCFA's ability to prevent, prepare for, respond to, and recover from domestic and international terrorism incidents.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

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

RECOMMENDED ACTION(S)

1. Approve and authorize the Fire Chief to execute the agreement and any necessary attachments to accept and administer the Urban Area Security Initiative (UASI) Grant Program award.
2. Approve a Budget Adjustment to the FY 2015/16 General Fund (121) to increase revenue and appropriations by \$167,727 for the FY 2015 UASI Grant award.

Impact to Cities/County

Not Applicable.

Fiscal Impact

The FY 2015/16 General Fund revenues and expenditures will be increased by \$167,727.

Background

On November 13, 2003, the United States Department of Homeland Security established the UASI Grant Program through the Federal Office of Domestic Preparedness. The grant only allowed two cities in Orange County, Anaheim and Santa Ana, to apply for funds through the UASI.

To ensure these funding sources did not undermine the process already in place, all principal parties involved formed a collaborative regional effort to facilitate the needs for the entire operational area. This ensured the funds were utilized to provide for the region and not one particular jurisdiction. Beginning in FY 2006, the two UASI cities combined to form a single entity and have divided the County into two geographic regions. The City of Santa Ana is responsible for the southwest portion of the County and the City of Anaheim is responsible for the northeast portion. Utilizing the Strategic Initiatives developed by the Urban Area Working Group, priorities were established for equipment, training, and planning.

On November 18, 2015, OCFA was notified it was awarded \$167,727 as part of the FY 2015 UASI Grant Program. The Grant funds are designated for use to reimburse costs related to training, including participant tuition, instructor participation, course delivery, and hosting. In 2015, the grant assisted in training efforts geared toward homeland security preparedness and the initial development of Wildland Urban Interface Pre Fire Plans. Unfortunately, due to a reduced UASI allocation, reimbursement for overtime and backfill to attend the classes is no longer included. Despite this, the training funded by this grant is very valuable to OCFA and its member agencies; therefore, approval of the grant award is recommended.

Attachment(s)

1. FY 2015 State Homeland Security Grant Program Agreement
2. Award Letter

AGREEMENT

SUB-RECIPIENT: ORANGE COUNTY FIRE AUTHORITY

City Contract Number _____

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EXHIBITS

Exhibit A	Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions
Exhibit B	Certification Regarding Lobbying
Exhibit C	Grant Assurances

Agreement Number: _____

**AGREEMENT FOR TRANSFER OR PURCHASE OF EQUIPMENT/SERVICES OR FOR
REIMBURSEMENT OF TRAINING COSTS
FOR FY2015 URBAN AREAS SECURITY INITIATIVE (UASI)**

**BETWEEN
THE CITY OF SANTA ANA
AND ORANGE COUNTY FIRE AUTHORITY**

THIS AGREEMENT is made and entered into this 18th day of November, 2015, by and between the CITY OF SANTA ANA, a municipal corporation (the "CITY"), and ORANGE COUNTY FIRE AUTHORITY (the "SUB-RECIPIENT" or "Contractor").

W I T N E S S E T H

WHEREAS, CITY, acting through the Santa Ana Police Department in its capacity as a Core City for the Anaheim/Santa Ana Urban Area under the FY15 Urban Areas Security Initiative, has applied for, received and accepted a grant entitled "FY 2015 Urban Areas Security Initiative" from the federal Department Of Homeland Security(DHS) Federal Emergency Management Agency (FEMA), through the State of California Governor's Office of Emergency Services (CalOES), to enhance countywide emergency preparedness (the "grant"), as set forth in the grant guidelines and assurances that are incorporated to this Agreement by reference and located at:

"U.S. Department of Homeland Security "Fiscal Year 2015 Homeland Security Grant Program (HSGP) Notice of Funding Opportunity (NOFO)"

http://www.fema.gov/media-library-data/1429291822887-7f203c9296fde6160b727475532c7796/FY2015HSGP_NOFO_v3.pdf

California Governor's Office of Emergency Services "FY2015 Homeland Security Grant Program: California Supplement to Federal Program Guidance and Application Kit"

<http://www.caloes.ca.gov/GrantsManagementSite/Documents/FY%202015-%20HSGP%20State%20Guidance.pdf>

Copies of the grant guidelines shall be retained in the Anaheim/Santa Ana Grant Office.

WHEREAS, this financial assistance is administered by the CITY OF SANTA ANA ("CITY") and is overseen by the California Governor's Office of Emergency Services ("Cal-OES"); and

WHEREAS, this financial assistance is being provided to address the unique equipment, training, planning, and exercise needs of large urban areas, and to assist them in building an enhanced and sustainable capacity to prevent, respond to, and recover from threats or acts of terrorism; and

WHEREAS, the Anaheim/Santa Ana Urban Area ("ASAUA") consists of 34 cities in Orange County, including the City of Santa Ana and the City of Anaheim, the County of Orange, including the unincorporated area of the County of Orange, Santa Ana Unified School District Police, California State University, Fullerton, University of California, Irvine, Municipal Water District of Orange County, and the Orange County Fire Authority; and

WHEREAS, the Office of Grants Management ("OGM") awarded a FY15 UASI Grant of \$4,400,000 ("Grant Funds") to the CITY OF SANTA ANA, as a Core City, for use in the ASAUA; and

WHEREAS, the CITY has designated the Chief of Police, or his designee and the Santa Ana Police Department, Homeland Security Division ("UASI Grant Office") to provide for terrorism prevention and emergency preparedness; and

WHEREAS, the UASI Grant Office now wishes to distribute FY15 UASI Grant Funds throughout the ASAUA, as further detailed in this Agreement ("Agreement") to ORANGE COUNTY FIRE AUTHORITY ("SUB-RECIPIENT") and others;

WHEREAS, the CITY and SUB-RECIPIENT are desirous of executing this Agreement as authorized by the City Council and the City Manager which authorizes the CITY to prepare and execute the Agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

I
INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The CITY, a municipal corporation, having its principal office at 20 Civic Center Plaza, Santa Ana, CA 92702; and
- B. ORANGE COUNTY FIRE AUTHORITY, a municipal corporation, One Fire Authority Road, Irvine, CA 92602

§102. Representatives of the Parties and Service of Notices

- A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the CITY OF SANTA ANA shall be, unless otherwise stated in the Agreement:

Kenneth Gominsky, Jr., Commander
Santa Ana Police Department
Homeland Security Division
60 Civic Center Plaza
Santa Ana, CA 92702
Phone: (714) 245-8040
Fax: (714) 245-8098
kgominsky@santa-ana.org

- 2. The representative of ORANGE COUNTY FIRE AUTHORITY shall be:

Marc Stone, Battalion Chief
ORANGE COUNTY FIRE AUTHORITY
One Fire Authority Road, Irvine, CA 92602
Phone: (714) 573-6056
E-mail: MarcStone@ocfa.org

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) business days of said change.

§103. Independent Party

SUB-RECIPIENT is acting hereunder as an independent party, and not as an agent or employee of the CITY OF SANTA ANA. No employee of SUB-RECIPIENT is, or shall be an employee of the CITY OF SANTA ANA by virtue of this Agreement, and SUB-RECIPIENT shall so inform each employee organization and each employee who is hired or retained under this Agreement. SUB-RECIPIENT shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY OF SANTA ANA.

§104. Conditions Precedent to Execution of This Agreement

SUB-RECIPIENT shall provide copies of the following documents to the CITY OF SANTA ANA, unless otherwise exempted.

- A. Grant Assurances in accordance with section 415C of this Agreement attached hereto as Exhibit C and made part hereof.
- B. Certifications Regarding Ineligibility, Suspension and Debarment as required by Executive Order 12549 in accordance with Section 415A12 of this Agreement and attached hereto as Exhibit A and made a part hereof.
- C. Certifications and Disclosures Regarding Lobbying in accordance with Section 415C of this Agreement and attached hereto as Exhibit B and made a part hereof. SUB-RECIPIENT shall also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any Disclosure Form previously filed by SUB-RECIPIENT.

II TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on November, 18, 2015 and end on April 30, 2018 or upon the final disbursement of all of the Grant Amount (as defined in Section 301) and any additional period of time as is required to complete any necessary close out activities. Said term is subject to the provisions herein.

§202. Use of Grant Funds

- A. CITY may, a) transfer to SUB-RECIPIENT, equipment or services purchased with grant funds and in accordance with grant guidelines set forth above; or, b) reimburse SUB-RECIPIENT for purchase of authorized equipment, exercises, services or training upon receiving prior written approval from CITY or its designee and in accordance with grant guidelines and in full compliance with all of the SUB-RECIPIENT'S purchasing and bidding procedures. SUB-RECIPIENT shall specify the equipment, services, exercises and training to be purchased using the Application for Project Funding. A paper copy of this document will be provided to SUB-RECIPIENT by CITY. In addition, a compact disc with a copy of the document will be provided to SUB-RECIPIENT by CITY. If additional copies of the document are needed, SUB-RECIPIENT may contact the Santa Ana Grant Coordinator and it will be provided.
- B. SUB-RECIPIENT shall provide any reports requested by the CITY regarding the performance of the Agreement. Reports shall be in the form requested by the CITY, and shall be provided in a timely manner.
- C. The Authorized Equipment List (AEL) is a list of the allowable equipment which may be purchased pursuant to this Agreement and is located at http://www.fema.gov/media-library-data/20130726-1825-25045-7138/fema_preparedness_grants_authorized_equipment_list.pdf, and incorporated to this Agreement by reference. A copy of the AEL shall be retained in the Anaheim/Santa Ana Grant Office. Unless otherwise stated in program guidance any equipment acquired pursuant to this Agreement shall meet all mandatory regulations and/or DHS-adopted standards to be eligible for purchase using grant funds. SUB-RECIPIENT shall provide the CITY a copy of its most current procurement guidelines and follow its own procurement requirements as long as they meet the minimum federal requirements. Federal procurement requirements for the FY 15 UASI Grant can be found at 2 Code of Federal Regulations (CFR) Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

Any equipment acquired or obtained with Grant Funds:

- 1. Shall be made available under the California Disaster and Civil Defense Master Mutual Aid Agreement in consultation with representatives of the various fire, emergency medical, hazardous materials response services, and law enforcement agencies within the jurisdiction of the applicant;**
- 2. Shall be consistent with needs as identified in the National Priorities and Core Capabilities, the State Homeland Security Strategy and the Anaheim/Santa Ana Urban Area and Orange County Operational Area Homeland Security Grants Strategy; and deployed in conformance with those plans;**
- 3. Shall be made available pursuant to applicable terms of the California Disaster and Civil Defense Master Mutual Aid Agreement and deployed with personnel trained in the use of such equipment in a manner consistent with the California Law Enforcement Mutual Aid Plan or the California Fire Services and Rescue Mutual Aid Plan;**
- 4. Shall be subject to the requirements of Title 2 CFR Part 200.313 and 200.314. For the purposes of this subsection, "Equipment" is defined as nonexpendable property that is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one (1) year or more.;**
- 5. Shall be used by SUB-RECIPIENT in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer useful for the original program or project, the Equipment may be used in other activities currently or previously supported by a Federal agency.**
- 6. Shall be made available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency.**
- 7. Shall be recorded on a ledger. This record must be updated bi-annually and forwarded to the City. The record shall include: (a) description of the item of Equipment, (b) a serial number or other identification number, (c) the source of funding for the property (including the FAIN), (d) who holds the title, (e) the acquisition date, (f) the cost of the property, (g) percentage of Federal participation in the project costs for the Federal award under which the property was**

acquired, (h) location, (i) use and condition of Equipment, and (j) ultimate disposition data including the date of disposal and sale price of the property. Records must be retained pursuant to 2 CFR Part 200.313.

8. All equipment obtained under this Agreement shall have an ASUA identification decal affixed to it, and, when practical, shall be affixed where it is readily visible.
 9. A physical inventory of the Equipment shall be taken and the results reconciled with the Equipment records at least once every two years. Inventory shall also be taken prior to any UASI, State or Federal monitor visits.
 10. SUB-RECIPIENT shall exercise due care to preserve and safeguard equipment acquired with grant funds from damage or destruction and shall provide regular maintenance and such repairs for said equipment as necessary, in order to keep said equipment continually in good working order. Such maintenance and servicing shall be the sole responsibility of SUB-RECIPIENT, who shall assume full responsibility for maintenance and repair of the equipment throughout the life of said equipment.
- D. Any training paid pursuant to this Agreement shall conform to the guidelines as listed in FY 2015 Homeland Security Grant Program, as set forth above. All training expenses must be pre-authorized by Cal-OES at <http://www.firstrespondertraining.gov/admin>. A catalogue of Grantor approved and sponsored training courses is available at http://www.firstrespondertraining.gov/odp_webforms.
- E. Any exercise paid pursuant to this Agreement shall conform to the guidelines as listed in FY 2015 Homeland Security Grant Program, as set forth above. Detailed Homeland Security Exercise and Evaluation Program Guidance is available at <http://hseep.dhs.gov>.
- F. Any planning paid pursuant to this Agreement shall conform to the guidelines as listed in FY 2015 Homeland Security Grant Program, as set forth above.
- G. Any organizational activities paid pursuant to this Agreement shall conform to the guidelines as listed in FY 2015 Homeland Security Grant Program, as set forth above.

III **PAYMENT**

§301. Payment of Grant Funds and Method of Payment

- A. CITY may, a) transfer to SUB-RECIPIENT, equipment or services purchased with grant funds; or, b) reimburse SUB-RECIPIENT for the purchase of authorized equipment, exercises, services or training upon receiving prior written approval from CITY or its designee and in accordance with grant guidelines and in full compliance with all of the SUB-RECIPIENT'S purchasing and bidding procedures. SUB-RECIPIENT shall specify the equipment, exercises, services or training to be purchased using the Application for Project Funding. A paper copy of this document will be provided to SUB-RECIPIENT by CITY. In addition, a compact disc with a copy of the document will be provided to SUB-RECIPIENT by CITY. If additional copies of the document are needed, SUB-RECIPIENT may contact the Santa Ana Grant Coordinator and it will be provided. Funds may be used for planning, exercises, organizational and training activities, and the purchase of equipment as described in Section 202 above.**
- B. SUB-RECIPIENT shall provide quarterly invoices to the CITY requesting payment and all supporting documentation. Each reimbursement request shall be accompanied by the Reimbursement Request for Grant Expenditures detailing the expenditures made by SUB-RECIPIENT as authorized by Section 202 above. Each reimbursement request shall be submitted to the Santa Ana UASI Grant Office. For equipment for which SUB-RECIPIENT is requesting reimbursement, all appropriate back-up documentation must be attached to the reimbursement form, including invoices, proof of payment, packing slips, and Equipment Reimbursement Worksheet. For training reimbursements, SUB-RECIPIENT must include a copy of any certificates issued or a copy of the class roster verifying training attendees, proof that a CalOES tracking number has been assigned to the course, timesheets and payroll registers for all training attendees, receipts for travel expenses related to the training, and Training Reimbursement Worksheet. For regional project reimbursements, SUB-RECIPIENT must include approval from the lead agency for all submitted invoices.**
- C. Payment of final invoice shall be withheld by the CITY until the SUB-RECIPIENT has turned in all supporting documentation and completed the requirements of this Agreement.**
- D. It is understood that the CITY makes no commitment to fund this Agreement beyond the terms set forth herein.**
- E. Funding for all periods of this Agreement is subject to the continuing availability to the CITY of federal funds for this program. The Agreement may be terminated immediately upon written notice to SUB-RECIPIENT of a loss or reduction of federal grant funds.**

IV STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

All titles or subtitles appearing herein have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against either party. The word "Sub-recipient" herein and in any amendments hereto includes the party or parties identified in this Agreement. The singular shall include the plural. If there is more than one Sub-recipient as identified herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

§402. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the CITY. This Agreement shall be enforced and interpreted under the laws of the State of California and the CITY.

If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement, the validity of the remaining portions of provisions shall not be affected thereby.

§403. Integrated Agreement

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only by a written instrument executed by both parties hereto.

§404. Excusable Delays

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; epidemics; quarantine

restrictions; strikes, freight embargoes or delays in transportation; to the extent that they are not caused by the party's willful or negligent acts or omissions and to the extent that they are beyond the party's reasonable control.

§405. Breach

Except for excusable delays, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

§406. Prohibition Against Assignment or Delegation

SUB-RECIPIENT may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights hereunder, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

§407. Permits

SUB-RECIPIENT and its officers, agents and employees shall obtain and maintain all permits and licenses necessary for SUB-RECIPIENT performance hereunder and shall pay any fees required therefore. SUB-RECIPIENT further certifies to immediately notify the CITY of any suspension, termination, lapses, non renewals or restrictions of licenses, certificates, or other documents.

§408. Nondiscrimination and Affirmative Action

SUB-RECIPIENT shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the CITY. In performing this Agreement, SUB-RECIPIENT shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status, pregnancy, denial of medical and family care leave, pregnancy disability leave, or medical condition. SUB-RECIPIENT shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

SUB-RECIPIENT shall comply with California Public Contract Code §10295.3, which addresses discrimination based on domestic partnerships. If required, SUB-RECIPIENT shall submit an Equal Employment Opportunity

Plan ("EEOP") to the DOJ Office of Civil Rights ("OCR") in accordance with guidelines listed at <http://www.ojp.usdoj.gov/ocr/eeop.htm>,

Any subcontract entered into by the SUB-RECIPIENT relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this § 408.

§409. Bonds

SUB-RECIPIENT must purchase a performance bond for any equipment item over \$250,000 or any vehicle (including aircraft or watercraft) financed with homeland security funds. SUB-RECIPIENT must provide a copy of performance bond to CITY no later than the time of reimbursement.

§410. Indemnification

Each of the parties to this Agreement is a public entity. In contemplation of the provisions of Section 895.2 of the Government Code of the State of California imposing certain tort liability jointly upon public entities, solely by reason of such entities being parties to an Agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, will each assume the full liability imposed upon it or upon any of its officers, agents, or employees by law, for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Section 895.2 of said Code. To achieve the above-stated purpose, each party indemnifies and holds harmless the other party solely by virtue of said Section 895.2. The provision of Section 2778 of the California Civil Code is made a part hereto as if fully set forth herein. SUB-RECIPIENT certifies that it has adequate self-insured retention of funds to meet any obligation arising from this Agreement.

§411. Conflict of Interest

- A. SUB-RECIPIENT covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:
1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
 2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
 3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such

person would have a "financial or other interest" in the subcontract.

B. Definitions:

1. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father in law, mother in law, brother in law, sister in law, son in law, daughter in law.
 2. The term "financial or other interest" includes but is not limited to:
 - a. Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
 - b. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
- C. The SUB-RECIPIENT further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- D. The SUB-RECIPIENT shall not subcontract with a former director, officer, or employee within a one year period following the termination of the relationship between said person and the Contractor.
- E. Prior to obtaining the CITY'S approval of any subcontract, the SUB-RECIPIENT shall disclose to the CITY any relationship, financial or otherwise, direct or indirect, of the SUB-RECIPIENT or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.
- F. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the SUB-RECIPIENT, State of California, and Federal regulations regarding conflict of interest.
- G. The SUB-RECIPIENT warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.
- H. The SUB-RECIPIENT covenants that no member, officer or employee of SUB-RECIPIENT shall have interest, direct or indirect, in any contract or

subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.

- I. The SUB-RECIPIENT shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "SUB-RECIPIENT" and "sub subcontractor" for "Subcontractor".

§412. Restriction on Disclosures

Any reports, analysis, studies, drawings, information, or data generated as a result of this Agreement are to be governed by the California Public Records Act (California Government Code Sec. 6250, et seq.).

§413. Statutes and Regulations Applicable To All Grant Contracts

- A. SUB-RECIPIENT shall comply with all applicable requirements of state, federal, county and SUB-RECIPIENT laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. SUB-RECIPIENT shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. SUB-RECIPIENT shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

1. Office of Management and Budget (OMB)

SUB-RECIPIENT shall comply with 2 Code of Federal Regulation (CFR) Part 200 (Uniform Administrative, Cost Principles, and Audit Requirements for Federal Awards).

2. Single Audit Act

If Federal funds are used in the performance of this Agreement, SUB-RECIPIENT shall adhere to the rules and regulations of the Single Audit Act, 31 USC Sec. 7501 et seq.; Title 2 Code of Federal Regulations, Part 200, Subpart F Audit Requirements; and any administrative regulation or field memos implementing the Act. When reporting under on the FY15 UASI Grant Program under the Single Audit Act, SUB-RECIPIENT shall use Catalog of Federal Domestic Assistance (CFDA) Program Number 97.067 "Homeland Security Grant Program"; Grant Identification Number 2015-00078; and identify the CITY OF SANTA ANA as the Pass-Through.

3. Americans with Disabilities Act

SUB-RECIPIENT hereby certifies that it will comply with the Americans with Disabilities Act, 42 USC §§ 12101, et seq., and its implementing regulations. SUB-RECIPIENT will provide reasonable

accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. SUB-RECIPIENT will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by the SUB-RECIPIENT, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

4. Political and Sectarian Activity Prohibited

None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.

If this Agreement provides for more than \$100,000 in grant funds or more than \$150,000 in loan funds, SUB-RECIPIENT shall submit to the CITY a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with 31 USC §1352. A copy of the Certificate is attached hereto as Exhibit B. No funds will be released to SUB-RECIPIENT until the Certification is filed.

SUB-RECIPIENT shall file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any Disclosure Form previously filed by SUB-RECIPIENT. SUB-RECIPIENT shall require that the language of this Certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

5. Records Inspection

In accordance with 2 CFR §200.336, at any time during normal business hours and as often as the CITY, the U.S. Comptroller General, and/or the Auditor General of the State of California may deem necessary, SUB-RECIPIENT shall make available for examination all of its records with respect to all matters covered by this Agreement. The CITY, the U.S. Comptroller General and/or the Auditor General of the State of California shall have the authority to audit, examine and make excerpts or transcripts from records, including SUB-RECIPIENT'S invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

SUB-RECIPIENT agrees to provide any reports requested by the CITY regarding performance of the Agreement.

6. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the CITY with respect to all matters covered on file for all documents specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of three (3) years after the date of submission of the final expenditure report by the CITY and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. The CITY may, at its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Orange unless authorization to remove them is granted in writing by the CITY.

7. Subcontracts and Procurement

SUB-RECIPIENT shall comply with the federal and SUB-RECIPIENT standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include but not be limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.

SUB-RECIPIENT shall ensure that the terms of this Agreement with the CITY are incorporated into all Subcontractor Agreements. The SUB-RECIPIENT shall submit all Subcontractor Agreements to the CITY for review prior to the release of any funds to the subcontractor. The SUB-RECIPIENT shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor Agreement.

8. Labor

SUB-RECIPIENT shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements, and the Hatch Act (5 USC §§1501-1508 and 7324-7328).

SUB-RECIPIENT shall comply with the Federal Fair Labor Standards Act (29 USC §201) regarding wages and hours of employment. None of the funds shall be used to promote or deter Union/labor organizing

activities. CA Gov't Code Sec. 16645, et seq.

9. Civil Rights

SUB-RECIPIENT shall comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681- 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601, et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; (j) the requirements of any other nondiscrimination statute(s) which may apply to the application; and (k) P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

10. Environmental

SUB-RECIPIENT shall comply, or has already complied, with the requirements of Titles II and III of the Uniform relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

SUB-RECIPIENT shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO

11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451, et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401, et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); and (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234).

SUB-RECIPIENT shall comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271, et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

SUB-RECIPIENT shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801, et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

SUB-RECIPIENT shall comply with the Federal Water Pollution Control Act (33 U.S.C. 1251-1387) which restores and maintains the chemical, physical and biological integrity of the Nation's waters.

SUB-RECIPIENT shall comply with the Federal Clean Water Act (CWA) (33 U.S.C §1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.

SUB-RECIPIENT shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

By signing this Agreement, SUB-RECIPIENT ensures that it is in compliance with the California Environmental Quality Act (CEQA), Public Resources Code §21000, et seq. and is not impacting the environment negatively.

SUB-RECIPIENT shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

11. Preservation

SUB-RECIPIENT shall comply with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1, et seq.).

12. Suspension and Debarment

SUB-RECIPIENT shall comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and SUB-RECIPIENT shall submit a Certification Regarding Debarment required by Executive Order 12549 and any amendment thereto. Said Certification shall be submitted to the CITY concurrent with the execution of this Agreement and shall certify that neither SUB-RECIPIENT nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department head or agency. SUB-RECIPIENT shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

As required by Executive Orders (EO) 12549 and 12689, and 2 CFR §200.212 and codified in 2 CFR Part 180, Debarment and Suspension, SUB-RECIPIENT will provide protection against waste, fraud and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the Federal government.

13. Drug-Free Workplace

SUB-RECIPIENT shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §701, 44 CFR Part 67; the California Drug-Free Workplace Act of 1990, CA Gov't Code §§ 8350-8357.

14. Financial Management

SUB-RECIPIENT will comply with 31 U.S.C §3729 which sets forth that no subgrantee, recipient or subrecipient shall submit a false claim for payment, reimbursement or advance.

15. Reporting – Accountability

SUB-RECIPIENT agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (2 CFR Chapter 1, Part 170), specifically (a) the reporting of subawards obligating \$25,000 or more in federal funds and (b) executive compensation data for first-tier subawards. This includes the provisions of FFATA, which includes requirements on executive compensation, and also requirements implementing the Act for the non-Federal entity at 2 CFR part 25 Financial Assistance Use of

Universal Identifier and Central Contractor Registration and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

SUB-RECIPIENT must also comply with statutory requirements for whistleblower protections at 10 U.S.C. §2409, 41 U.S.C. §4712, and 10 U.S.C. §2324, 41 U.S.C. §4304 and §4310 and 31 U.S.C. §6101 et seq.

16. Human Trafficking

SUB-RECIPIENT will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. §7104) which prohibits grant award recipients or a subrecipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

17. Freedom of Information Act

SUB-RECIPIENT acknowledges that all information submitted in the course of applying for funding under this program or provided in the course of an entity's grant management activities which is under Federal control is subject to the Freedom of Information Act (FOIA), 5 U.S.C. §552. SUB-RECIPIENT should also consult State and local laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application, needs assessment and strategic planning process.

B. Statutes and Regulations Applicable To This Particular Grant

SUB-RECIPIENT shall comply with all applicable requirements of state and federal laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this particular grant program. SUB-RECIPIENT shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

1. Title 2 Code of Federal Regulations (CFR) Part 200; EO 12372; Department of Justice (DOJ) Office of Judicial Programs (OJP) Office of the Comptroller, U.S. Department of Homeland Security, Preparedness Directorate Financial Management Guide; U.S. Department of Homeland Security, Office of Grants and Training, FY 2015 Homeland Security Grant Program –Notice of Funding Opportunity; ODP WMD Training Course Catalogue; and DOJ Office

for Civil Rights.

Standardized Emergency Management System (SEMS) requirements as stated in the California Emergency Services Act, Government Code Chapter 7 of Division 1 of Title 2, § 8607.1(e) and CCR Title 19, §§ 2445-2448.

Provisions of 44 CFR applicable to grants and cooperative agreements, including Part 18, Administrative Review Procedures; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; Part 30, Intergovernmental Review of Department of Justice Programs and Activities; Part 35, Nondiscrimination on the Basis of Disability in State and Local Government Services; Part 38, Equal Treatment of Faith-based Organizations; Part 42, Nondiscrimination/Equal employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; Part 64, Floodplain Management and Wetland Protection Procedures; Federal laws or regulations applicable to federal Assistance Programs; Part 69, New Restrictions on Lobbying; Part 70, Uniform Administrative Requirements for Grants and Cooperative Agreements (including sub-awards) with Institutions of Higher Learning, Hospitals and other Non-Profit Organizations; and Part 83, Government- Wide Requirements for a Drug Free Workplace (grants).

2. Travel Expenses

SUB-RECIPIENT as provided herein may be compensated for SUB-RECIPIENT'S reasonable travel expenses incurred in the performance of this Agreement, to include travel and per diem, unless otherwise expressed. Travel including in-State and out-of-State travel shall not be reimbursed without prior written authorization from the UASI Grant Office.

SUB-RECIPIENT'S travel and per diem reimbursement costs shall be reimbursed based on the SUB-RECIPIENT'S travel policies and procedures. If SUB-RECIPIENT does not have established travel policies and procedures, SUB-RECIPIENT'S reimbursement rates shall not exceed the amounts established under 5 U.S.C 5701-11, ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter must apply to travel under federal awards (48 CFR 31.205-46(a))..

3. Personally Identifiable Information

SUB-RECIPIENT collecting Personally Identifiable Information (PII) must have a publically-available policy that describes what PII they collect, how they plan to use the PII, whether they share PII with third parties, and how individuals may have their PII corrected where appropriate

4. Hotel and Motel Fire Safety Act of 1990

SUB-RECIPIENT must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with Section 6 of the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. §2225a.

5. Terrorist Financing E.O. 13224

SUB-RECIPIENT must comply with U.S. Executive Order 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism.

6. USA Patriot Act of 2001

SUB-RECIPIENT must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA Patriot Act), which amends 18 U.S.C. §§175-175c.

7. Noncompliance

SUB-RECIPIENT understands that failure to comply with any of the above assurances may result in suspension, termination or reduction of grant funds, and repayment by SUB-RECIPIENT to CITY of any unlawful expenditures.

C. Compliance With Grant Assurances

To obtain the Grant Funds, the Grantor required an authorized representative of the CITY to sign certain promises regarding the way the Grant Funds would be spent ("Grant Assurances"), attached hereto as Exhibit C. By signing these Grant Assurances, the CITY became liable to the Grantor for any funds that are used in violation of the grant requirements. SUB-RECIPIENT shall be liable to the Grantor for any funds the Grantor determines SUB-RECIPIENT used in violation of these Grant Assurances. SUB-RECIPIENT shall indemnify and hold harmless the CITY for any sums the Grantor determines SUB-RECIPIENT used in violation of the Grant Assurances.

§414. Federal, State and Local Taxes

Federal, State and local taxes shall be the responsibility of SUB-RECIPIENT as an independent party and not as a CITY employee.

§415. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

If any project produces any invention or discovery (Invention) patentable or otherwise under title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Agreement, the SUB-RECIPIENT shall report the fact and disclose the Invention promptly and fully to the CITY. The CITY shall report the fact and disclose the Invention to the Grantor. Unless there is a prior agreement between the CITY and the Grantor, the Grantor shall determine whether to seek protection on the Invention. The Grantor shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of title 35 U.S.C. Sections 200, et seq. (Pub. L. 95-517, Pub. L. 98-620, 37 CFR part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983; and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp., p. 262). SUB-RECIPIENT

hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

CITY shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the terms of the Grantor or of this Agreement, when copyrightable material ("Material") is developed under this Agreement, the author or the CITY, at the CITY'S discretion, may copyright the Material. If the CITY declines to copyright the Material, the CITY shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.
2. The Grantor shall have an unencumbered right, and a non-exclusive,

irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement.

3. SUB-RECIPIENT shall comply with 24 CFR 85.34.

D. Rights to Data

The Grantor and the CITY shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. Section 401 or 402, the Grantor acquires the data under a copyright license as set forth in 48 CFR 27.404(f)(2) instead of unlimited rights. (48 CFR 27.404(a)).

E. Obligations Binding on Subcontractors

SUB-RECIPIENT shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

§416. Minority, Women, And Other Business Enterprise Outreach Program

It is the policy of the CITY to provide minority business enterprises (MBEs), women business enterprises (WBEs) and all other business enterprises an equal opportunity to participate in the performance of all SUB-RECIPIENT contracts, including procurement, construction and personal services. This policy applies to all Contractors and Sub-Contractors.

V
DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§501. Defaults

Should SUB-RECIPIENT fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the CITY reserves the right to terminate the Agreement, reserving all rights under state and federal law.

§502. Amendments

Any change in the terms of this Agreement, including changes in the services to be performed by SUB-RECIPIENT and any increase or decrease in the amount of compensation which are agreed to by the CITY and SUB-RECIPIENT shall be incorporated into this Agreement by a written amendment properly executed and signed by the person authorized to bind the parties thereto.

SUB-RECIPIENT agrees to comply with all future CITY Directives, or any rules, amendments or requirements promulgated by the CITY affecting this Agreement.

VI
ENTIRE AGREEMENT

§601. Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. Neither verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement.

§602. Number of Pages and Attachments

This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement includes twenty-five (26) pages and three (3) Exhibits which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City and ORANGE COUNTY FIRE AUTHORITY have caused this Agreement to be executed by their duly authorized representatives on the date first set forth above.

ATTEST:

CITY OF SANTA ANA, a municipal
Corporation of the State of California

By: _____
Maria D. Huizar
Clerk of the Council

By: _____
David Cavazos
City Manager

RECOMMENDED FOR APPROVAL:

By: _____
Carlos Rojas
Chief of Police

SUB-RECIPIENT
ORANGE COUNTY FIRE AUTHORITY

APPROVED AS TO FORM:

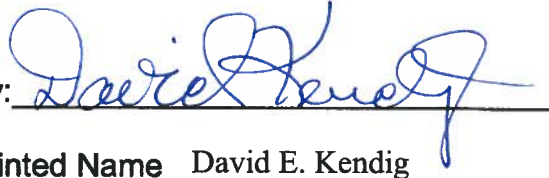
By: _____
Laura Rossini
Senior Assistant City Attorney

By: _____

Printed Name Jeff Bowman

Title Fire Chief

APPROVED AS TO FORM

By: 

Printed Name David E. Kendig

Title General Counsel

EXHIBIT A
**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS**

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under the applicable CFR covering New Restrictions on Government-wide Debarment and Suspension (Nonprocurement). The certification shall be treated as a material representation of fact upon which reliance will be placed when the Agency determines to award the covered transaction or cooperative agreement.

As required by Executive Order 12549, Debarment and Suspension, and implemented under the applicable CFR, for prospective participants in covered transactions, as defined in the applicable CFR

A. The applicant certifies that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal State or local) with commission of any of these offenses enumerated in paragraph (1) (b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

Authorized Agent Signature

Jeff Bowman
Printed or Typed Name

Fire Chief
Title

Address: Orange County Fire Authority

1 Fire Authority Road

Irvine, CA 92602

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to whom this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

EXHIBIT B
CERTIFICATION REGARDING LOBBYING
Certification for Contracts, Grants, Loans
and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

AGREEMENT NUMBER

Orange County Fire Authority

CONTRACTOR/BORROWER/AGENCY

Jeff Bowman, Fire Chief

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

01/28/16

DATE

EXHIBIT C
California Governor's Office of Emergency Services
FY 2015 Grant Assurances
(For All Cal OES Federal Grant Programs)

Name of Applicant: Orange County Fire Authority
Address: 1 Fire Authority Road
City: Irvine State: CA Zip Code: 92602
Telephone Number: (714) 573-6000 Fax Number: (714) 368-8826
E-Mail Address: jeffbowman@ocfa.org

As the duly authorized representative of the Applicant, I hereby certify that the Applicant has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay any non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application, within prescribed timelines.

I further acknowledge that the Applicant is responsible for reviewing and adhering to all requirements within the:

- (a) Applicable Federal Regulations (see below);
- (b) Federal Program Notice of Funding Opportunity (NOFO);
- (c) California Supplement to the NOFO; and
- (d) Federal and State Grant Program Guidelines.

Federal Regulations

Government cost principles, uniform administrative requirements and audit requirements for federal grant programs are housed in Title 2, Part 200 of the Code of Federal Regulations (CFR) and in updates issued by the Office of Management and Budget (OMB) on <http://www.whitehouse.gov/omb/>.

Significant state and federal grant award requirements (some of which appear in the documents listed above) are called out below. The Applicant hereby agrees to comply with the following:

1. Proof of Authority

The Applicant will obtain written authorization from the city council, governing board or authorized body in support of this project. This written authorization must specify that the Applicant and the city council, governing board or authorized body agree:

- (a) To provide all matching funds required for said project and that any cash match will be appropriated as required.
- (b) That any liability arising out of the performance of this agreement shall be the responsibility of the Applicant and the city council, governing board or authorized body.
- (c) That grant funds shall not be used to supplant expenditures controlled by the city council, governing board or authorized body.
- (d) That the official executing this agreement is, in fact, authorized to do so.

This Proof of Authority must be maintained on file and readily available upon demand.

2. Period of Performance

The Applicant will initiate work after approval of the award and complete all work within the period of performance specified in the grant.

3. Lobbying and Political Activities

As required by Section 1352, Title 31 of the U.S. Code (U.S.C.), for persons entering into a contract, grant, loan or cooperative agreement from an agency or requests or receives

from an agency a commitment providing for the United States to insure or guarantee a loan, the Applicant certifies that:

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

The Applicant will also comply with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and §§7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

Finally, the Applicant agrees that Federal funds will not be used, directly or indirectly, to support the enactment, repeal, modification or adoption of any law, regulation or policy without the express written approval from the California Governor's Office of Emergency Services (Cal OES) or the Federal awarding agency.

4. Debarment and Suspension

As required by Executive Orders (EO) 12549 and 12689, and 2 CFR §200.212 and codified in 2 CFR Part 180, Debarment and Suspension, the Applicant will provide protection against waste, fraud and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the Federal government. The Applicant certifies that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2)(b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default.

Where the Applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

5. Non-Discrimination and Equal Employment Opportunity

The Applicant will comply with all Federal statutes relating to non-discrimination. These include, but are not limited to, the following:

- (a) Title VI of the Civil Rights Act of 1964 (Public Law (P.L.) 88-352 and 42 U.S.C. §2000d et. seq.) which prohibits discrimination on the basis of race, color or national origin and requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services;
- (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;
- (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps;
- (d) Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA (42 U.S.C. 12101, et seq.);
- (e) Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;
- (f) Drug Abuse Office and Treatment Act of 1972) (P.L. 92-255), as amended (P.L. 96-181), relating to nondiscrimination on the basis of Treatment or recovery from drug abuse;
- (g) Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
- (h) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
- (i) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing;
- (j) EO 11246, which prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin;
- (k) EO 11375, which bans discrimination on the basis of sex in hiring and employment in both the United States federal workforce and on the part of government contractors;
- (l) California Public Contract Code §10295.3, which addresses discrimination based on domestic partnerships;
- (m) Any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and
- (n) The requirements of any other nondiscrimination statute(s) which may apply to the application.

In addition to the items listed in (a) through (n), the Applicant will comply with California's Fair Employment and Housing Act (FEHA). FEHA prohibits harassment and discrimination in employment because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, medical condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave (California Government Code sections 12940, 12945, 12945.2) and/or retaliation for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions.

6. Drug-Free Workplace

As required by the Drug-Free Workplace Act of 1988 (41 U.S.C. §701 et seq.), the Applicant certifies that it will or will continue to provide a drug-free workplace and a drug-free awareness program as outlined in the Act.

7. Environmental Standards

The Applicant will comply with State and Federal environmental standards which may be prescribed pursuant to the following, as applicable:

- (a) California Environmental Quality Act (CEQA) (California Public Resources Code §§21000-21177), to include coordination with the city or county planning agency;
- (b) CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§15000-15387);
- (c) Federal Clean Water Act (CWA) (33 U.S.C. §1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.
- (d) Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Orders (EO) on the Environmental Justice Act (EO 12898) and Environmental Quality (EO 11514);
- (e) Notification of Environmental Protection Agency (EPA) violating facilities pursuant to EO 11738;
- (f) Protection of wetlands pursuant to EO 11990;
- (g) Evaluation of flood hazards in floodplains in accordance with EO 11988;
- (h) Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §1451 et seq.);
- (i) Conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §7401 et seq.);
- (j) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523);
- (k) Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205);
- (l) Wild and Scenic Rivers Act of 1968 (16 U.S.C. §1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

Finally, the Applicant shall not be: 1) in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution district; 2) subject to a cease and desist order pursuant to §13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) finally determined to be in violation of federal law relating to air or water pollution.

8. Audits

For subrecipients expending \$750,000 or more in Federal grant funds annually, the Applicant will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and Title 2 of the Code of Federal Regulations, Part 200, Subpart F Audit Requirements.

9. Access to Records

In accordance with 2 CFR §200.336, the Applicant will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award. The Applicant will require any subrecipients,

contractors, successors, transferees and assignees to acknowledge and agree to comply with this provision.

10. Conflict of Interest

The Applicant will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

11. Financial Management

False Claims for Payment

The Applicant will comply with 31 U.S.C §3729 which sets forth that no subgrantee, recipient or subrecipient shall submit a false claim for payment, reimbursement or advance.

12. Reporting - Accountability

The Applicant agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (2 CFR Chapter 1, Part 170), specifically (a) the reporting of subawards obligating \$25,000 or more in federal funds and (b) executive compensation data for first-tier subawards. This includes the provisions of FFATA, which includes requirements on executive compensation, and also requirements implementing the Act for the non-Federal entity at 2 CFR part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

The Applicant also must comply with statutory requirements for whistleblower protections at 10 U.S.C. §2409, 41 U.S.C. §4712, and 10 U.S.C. §2324, 41 U.S.C. §4304 and §4310 and 31 U.S.C. §6101 et seq.

13. Human Trafficking

The Applicant will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. §7104) which prohibits grant award recipients or a subrecipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

14. Labor Standards

The Applicant will comply with the following federal labor standards:

- (a) Comply with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), as applicable, and the Copeland Act (40 U.S.C. §3145 and 18 U.S.C. §874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction contracts or subcontracts.
- (b) Comply with the Federal Fair Labor Standards Act (29 U.S.C. §201 et al.) as they apply to employees of institutes of higher learning (IHE), hospitals and other non-profit organizations.

15. Worker's Compensation

The Applicant must comply with provisions which require every employer to be insured against liability for Worker's Compensation before commencing performance of the work of this Agreement, as per California Labor Code §3700.

16. Property-Related

If applicable to the type of project funded by this Federal award, the Applicant will:

- (a) Comply the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchase.
- (b) Comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires subrecipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
- (c) Assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §469a-1 et seq.).
- (d) Comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4831 and 24 CFR Part 35) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Certifications Applicable Only to Federally-Funded Construction Projects

For all construction projects, the Applicant will:

- (a) Not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project.
- (b) Comply with the requirements of the awarding agency with regard to the drafting, review and approval of construction plans and specifications.
- (c) Provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

18. Freedom of Information Act

The Applicant acknowledges that all information submitted in the course of applying for funding under this program or provided in the course of an entity's grant management activities which is under Federal control is subject to the Freedom of Information Act (FOIA), 5 U.S.C. §552. The Applicant should also consult its own State and local laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application, needs assessment and strategic planning process.

19. California Public Records Act

The Applicant acknowledges that all information submitted in the course of applying for funding under this program or provided in the course of an entity's grant management activities may be subject to the California Public Records Act (California Government Code §§6250-6276.48), which requires inspection and/or disclosure of governmental records to the public upon request, unless exempted by law.

HOMELAND SECURITY GRANT PROGRAM - PROGRAM SPECIFIC ASSURANCES / CERTIFICATIONS

20. Personally Identifiable Information

Subrecipients collecting Personally Identifiable Information (PII) must have a publically-available policy that describes what PII they collect, how they plan to use the PII, whether they share PII with third parties, and how individuals may have their PII corrected where appropriate.

21. Disposition of Equipment

When original or replacement equipment acquired under this award is no longer needed for the original project or program or for other activities currently or previously supported by the Department of Homeland Security/Federal Emergency Management Agency, subrecipients must request instructions from Cal OES on proper disposition of equipment.

22. Reporting Accusations and Findings of Discrimination

If, during the past three years, the subrecipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, the subrecipient must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to Cal OES for reporting to the DHS awarding office and the DHS Office of Civil Rights and Civil Liberties.

If any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion or familial status against the subrecipient, or the subrecipient settles a case or matter alleging such discrimination, subrecipients must forward a copy of the complaint and findings to Cal OES for forwarding to the DHS Component and/or awarding office.

The United States has the right to seek judicial enforcement of these obligations.

23. Acknowledgement of Federal Funding from DHS and Use of DHS Seal, Logo and Flags

All subrecipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

All subrecipients must obtain DHS's approval prior to using DHS seal(s), Logos, crests or reproductions of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

24. Copyright

All subrecipients must affix the applicable copyright notices of 17 U.S.C. §§401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards, unless the work includes any information that is otherwise controlled by the Government (e.g., classified information or other information subject to national security or export control laws or regulations).

25. Energy Policy and Conservation Act

All subrecipients must comply with the requirements of 42 U.S.C. §6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issues in compliance with this Act.

26. Hotel and Motel Fire Safety Act of 1990

All subrecipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with Section 6 of the fire prevention

and control guidelines of the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. §2225a.

27. Terrorist Financing E.O. 13224

All subrecipients must comply with U.S. Executive Order 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of subrecipients to ensure compliance with the E.O. and laws.

28. USA Patriot Act of 2001

All subrecipients must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA Patriot Act), which amends 18 U.S.C. §§175-175c.

IMPORTANT

The purpose of the assurance is to obtain federal and state financial assistance, including any and all federal and state grants, loans, reimbursement, contracts, etc. The Applicant recognizes and agrees that state financial assistance will be extended based on the representations made in this assurance. This assurance is binding on the Applicant, its successors, transferees, assignees, etc. Failure to comply with any of the above assurances may result in suspension, termination, or reduction of grant funds.

All appropriate documentation, as outlined above, must be maintained on file by the Applicant and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the subrecipient may be ineligible for award of any future grants if the Cal OES determines that any of the following has occurred: (1) the recipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

All of the language contained within this document must be included in the award documents for all subawards at all tiers, including contracts under grants and cooperative agreements and subcontracts.

The undersigned represents that he/she is authorized by the above named applicant to enter into this agreement for and on behalf of the said applicant.

Signature of Authorized Agent: _____

Printed Name of Authorized Agent: Jeff Bowman

Title: Fire Chief Date: 01/28/16

MAYOR
 Miguel A. Pulido
MAYOR PRO TEM
 Sal Tinajero
COUNCIL MEMBERS
 Angelica Amezcua
 P. David Benavides
 Michele Martinez
 Roman Reyna
 Vincent F. Sarmiento



CITY MANAGER
 David Cavazos
CITY ATTORNEY
 Sonia R. Carvalho
CLERK OF THE COUNCIL
 Maria D. Huizar

CITY OF SANTA ANA

POLICE DEPARTMENT

60 Civic Center Plaza • P.O. Box 1981
 Santa Ana, California 92702

OFFICE OF THE CHIEF OF POLICE

November 18, 2015

Jeff Bowman, Fire Chief
 Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602

SUBJECT: Notification of Sub-Recipient Award
 FY2015 Urban Area Security Initiative (UASI) Grant Program
 Grant #2015-00078, CFDA# 97.067
 Sub-Recipient Performance Period: November 18, 2015 to April 30, 2018

Requesting Jurisdiction:	Orange County Fire Authority	
Projects:	C-6) Wildland Urban Interface Pre-Fire Plans	\$50,000
	H-1) UASI Regional Training Program - Instructors	\$47,727
	H-2) Regional Fire Training	<u>\$70,000</u>
Total Award:		\$167,727

Dear Chief Bowman:

This letter serves to inform you that the Orange County Fire Authority has been approved for grant funding under the FY2015 Urban Areas Security Initiative (UASI) Grant Program. A project application was submitted by OCFA requesting grant funding to develop Wildland Urban Interface Pre-Fire Plans within the region. An in depth process of the application and project concept was necessary prior to approval. This process is required due to stringent UASI Grant Guidelines that must be adhered to. Following the review, the project was found to be viable based on investment justification, regional benefit, and degree of applicability to the overarching Urban Area goals and objectives.

The Orange County Fire Authority has also been approved for training funds under the FY15 UASI Grant Program. The Anaheim/Santa Ana UASI (ASAU) recognizes the importance of training and will continue to provide funding for regional training. As part of a more centralized approach, multiple agencies have assumed key responsibilities in hosting and delivering training to further

November 18, 2015

Page | 2

Orange County's preparedness mission. Leaders from each jurisdiction are collaborating on the planning and establishment of core training for their respective disciplines to ensure the needs of the region are met at every level.

Reimbursement for overtime and backfill for training is no longer being offered by the ASUA due to an overall reduced award received in recent years. However, the grant will continue to provide reimbursement for personnel who assist with the instruction and delivery of the approved UASI courses. The funding allocation below is being provided as an estimated value of training instructor participation based on the number of first responders in your agency that have been approved to teach. It is being provided for your City's respective internal budgetary needs only and does not reflect a direct allocation as in the past. Additional funds may be awarded at a later time depending on your agency's participation and available dollars.

Regional Training Program – Instructor Participation

Fire Department: \$47,727

Additional training funds are also being allocated to your agency for the hosting of approved regional fire training courses as selected by the Fire Chiefs. The allocated funds will be used by your agency to pay for costs incurred by the OCFA Training Facility for delivering the specified fire courses. These delivery costs include, but are not limited to: instructors, materials, and facility space. As stated above, the amount being allocated is an estimate based on delivery of the regional courses selected and does not represent a direct allocation.

Fire Training – Course Delivery & Hosting

Fire Department: \$70,000

As outlined in the FY15 Sub-Recipient Grant Guidance, reimbursement requests and progress reports are to be submitted to the UASI Grant Office on a quarterly basis. The Quarterly Project Status Report will allow the grant office to work closely with your City and its designated UASI representatives, ensuring your project is completely successful. Final Training Reimbursement Requests are due no later than **December 31, 2017** and Final Equipment/Salary Reimbursement Requests are due no later than **March 31, 2018**.

If you have any questions regarding this letter, please feel free to contact UASI Grant Coordinator Sgt. Brad Hadley at (714) 245-8720 or bhadley@santa-ana.org.

Sincerely,



CARLOS ROJAS
Chief of Police

SANTA ANA CITY COUNCIL

Miguel A. Pulido
Mayor
MPulido@santa-ana.org

Vincent F. Sarmiento
Mayor Pro Tem, Ward 1
VSarmiento@santa-ana.org

Michele Martinez
Ward 2
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P. David Benavides
Ward 4
DBenavides@santa-ana.org

Roman Reyna
Ward 5
RReyna@santa-ana.org

Sal Tinajero
Ward 6
STinajero@santa-ana.org



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3C
Consent Calendar

**State Lobbying Service
Amendment to Agreement**

Contact(s) for Further Information

Sandy Cooney, Director	sandycooney@ocfa.org	714.573.6801
Communications and Public Affairs Department		
Jay Barkman, Legislative Analyst	jaybarkman@ocfa.org	714.573.6048

Summary

This agenda item is submitted to authorize an increase to the current blanket order with OCFA's state lobbyists Nielsen Merksamer Parrinello Gross & Leoni, LLP.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

The current lobbying contract was approved by the Executive Committee on February 28, 2013, for a five-year term with a current monthly retainer amount of \$5,500. The contract was amended by the Executive Committee on May 21, 2015, to increase the contract by an additional \$5,000 per month effective June 1, 2015, through September 1, 2015, to provide additional State legislative advocacy services specific to the defeat of Assembly Bill 1217 (Daly).

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

RECOMMENDED ACTION(S)

1. Approve and authorize the Fire Chief to execute the second amendment to the agreement with Nielsen Merksamer Parrinello Gross & Leoni, LLP, for a contract increase of \$80,000 for additional assistance in opposition to AB 1217 or any other legislation, if needed, which forces state-mandated changes to the OCFA board composition or operation lobbying efforts.
2. Approve and authorize the Board Chair to approve and release the use of these additional funds, if needed.
3. Approve a budget adjustment in the FY 2015/16 General Fund (121) budget increasing expenditures by \$80,000 to support this contract.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Approval of this item could increase expenditures in the General Fund FY 2015/16 budget by \$80,000. At the end of the fiscal year, the unused portion of the appropriation will be rebudgeted to the following fiscal year.

Background

In keeping with the Board's direction to oppose AB 1217, staff is requesting the authority for an additional \$10,000 per month for the period of February 1, 2016, through September 30, 2016, not to exceed \$80,000. Release of these funds would be contingent upon the Board Chair's approval, and requested only if AB 1217 progresses or other legislation, which forces state-mandated changes to the OCFA Board composition or operation is introduced.

The OCFA Board voted overwhelmingly in 2015 to oppose AB 1217 based on its direct threat to our existing Joint Powers Agreement. The bill would strip city seats without any justification and is an unnecessary state intrusion into the responsible local governance of the OCFA. As discussed under prior committee action the Executive Committee approved on May 21, 2015, an increase to the contract for four months. With the increased lobbying effort the OCFA was able to have the bill held in the Senate Governance and Finance Committee.

This item is being submitted to allow staff, with approval from the Board Chair, to quickly react and respond if any efforts are attempted in 2016 to force state-mandated changes to OCFA.

Attachment(s)

1. Nielsen Merksamer Proposal Letter
2. Proposed Amendment Number Two to Professional Service Agreement

NIELSEN MERKSAMER

NIELSEN MERKSAMER PARRINELLO GROSS & LEONI

POLITICAL &
GOVERNMENT

LAW
ADVOCACY
LITIGATION

1415 L Street, Suite 1200
Sacramento, California 95814

t: 916.446.6752
f: 916.446.6106

December 28, 2015

Jay Barkman
Legislative Analyst/Grants Administrator
Orange County Fire Authority
P.O. Box 53008
Irvine, CA 92619-3008

Dear Jay:

Pursuant to discussions regarding the efforts of the OCFA to defeat Assembly Bill 1217 (Daly) we are proposing the following charge to our current agreement with OCFA. In order to both manage the workload that may be entailed in the effort to defeat the bill and to engage additional assistance if needed, we ask that the OCFA board authorize up to an additional \$10,000 per month for the period of February 1, 2016-September 30, 2016.

The amount would be used for the management of workload and engagement of assistance with the lobbying effort. The actual amount of the monthly invoice will be agreed upon with OCFA prior to engagement. The final amount for the monthly increase will be terminable with 30 days' notice.

Please let me know if you need anything further.

Sincerely,


James S. Gross

JSG/vb

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

THIS AMENDMENT NUMBER TWO TO PROFESSIONAL SERVICES ("Amendment") is made and entered into this 28th day of January, 2016, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Nielsen, Merksamer, Parrinello, Gross & Leoni LLP, a Limited Liability Partnership Law Firm, hereinafter referred to as "Firm".

RECITALS

WHEREAS, OCFA and the Firm entered into that certain Professional Services Agreement on the 28th day of February, 2013, for State legislative advocacy services ("Agreement"), which is incorporated herein by this reference; and

WHEREAS, OCFA and the Firm entered into that certain Amendment Number One to the Agreement on the 21st day of May, 2015, to include compensation up to an additional \$5,000 per month for the management of workload and engagement assistance need for additional State legislative advocacy services specific to the defeat of Assembly Bill 1217 (Daly);

WHEREAS, OCFA is requesting additional State legislative advocacy services specific to the defeat of Assembly Bill 1217 (Daly) for the period of February 1, 2016 through September 30, 2016; and

WHEREAS, additional resources may be required to manage the additional workload for a specific time frame to accommodate this request.

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

1. Section 3.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.1 Compensation of Firm.

For the services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in Exhibit "A," in an amount not to exceed \$5,500 per month effective January 1, 2015 through December 31, 2017.

During the period of February 1, 2016 through September 30, 2016 the firm shall be compensated up to an additional \$10,000 per month for the management of workload and engagement assistance as needed for the specific lobbying effort in accordance with the terms set forth in the letter dated December 28, 2015, attached hereto as Exhibit "B," and incorporated herein by reference.

Except as modified above, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.

2. Exhibit "B" attached hereto is hereby added to the Agreement.

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

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____
Jeff Bowman, Fire Chief

APPROVED AS TO FORM.

ATTEST:

By: _____
DAVID E. KENDIG
GENERAL COUNSEL

Sherry A.F. Wentz
Clerk of the Board

Date: _____

"FIRM"

**NEILSEN, MERKSAMER, PARRINELLO,
GROSS & LEONI LLP**

Date: _____

By: _____
James C. Gross, Partner

Exhibit B

Letter dated December 28, 2015 from James S. Gross re effort to defeat Assembly Bill 1217.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3D
Consent Calendar

2016 Grant Priorities

Contact(s) for Further Information

Sandy Cooney, Director sandycooney@ocfa.org 714.573.6801
Communications and Public Affairs Department

Jay Barkman, Legislative Analyst jaybarkman@ocfa.org 714.573.6048

Summary

This annual agenda item is submitted to the Committee for adoption of OCFA's annual grant priorities.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

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

RECOMMENDED ACTION(S)

Approve the 2016 Grant Priorities.

Impact to Cities/County

Service delivery in the cities of Buena Park, San Clemente, and Tustin could be positively impacted if OCFA receives the Federal Emergency Management Agency (FEMA) staffing grant discussed in the attached document. Each of these cities has been briefed on the potential impacts. Should the FEMA staffing grant be approved for award to the OCFA, staff will return to the Budget and Finance Committee and Board of Directors for additional consideration for action and approval prior to acceptance.

Fiscal Impact

Not Applicable.

Background

See attached document for discussion of specific grants.

Attachment(s)

OCFA's 2016 Grant Priorities



Orange County Fire Authority *Grant Priorities*

January 13, 2016

Sandy Cooney
Director of
Communications and
Public Affairs
1 Fire Authority Road
Irvine, CA 92602
(714) 573-6801

Assistance to Firefighters Grant (AFG)

Application Closes: January 15, 2016

This Federal Emergency Management Agency (FEMA) grant funds the purchase of firefighting vehicles and safety equipment. Applications for safety equipment are accepted for tools, personal protective equipment (PPE), training, wellness and fitness, and station modifications.

OCFA 2016 AFG Application

Firefighter Turnout Washers: The OCFA will request grant funding to purchase additional washers/extractors to clean PPE (turnouts). Our goal is to reduce the exposure of personnel to pollutants and improve firefighter safety by reducing future risks. The washers/extractors will be placed in locations throughout OCFA, such as battalion headquarters, to allow crews to clean turnouts more frequently.

Status of 2015 AFG Award

Extrication Gloves: In May of 2015, the OCFA received a grant for \$43,022 to purchase approximately 1,000 extrication gloves for safety personnel. The OCFA purchasing section has completed a request for proposals and received four bids. Battalion Chief Ken Dossey is leading a "wear test" of the gloves provided to determine final bid selection.

California Office of Traffic Safety (OTS)

Application Closes: January 30, 2016

This grant provides federal funds that OTS administers for various purposes including Emergency Medical Services.

OCFA 2016 OTS Application

Traffic Collisions-Extrication Tools: The OCFA is requesting funds to replace power tools used by firefighters to free victims trapped during traffic collisions. Current tools are becoming outdated for use on new cars with improved safety features and reinforced construction. New power saws, hydraulic sheers, and other tools will reduce extrication times that delay patient treatment.

State Responsibility Area Fire Prevention Fund

Application Closes: January 7, 2016

The state enacted legislation in 2011 to levy a fee on property owners within the State Responsibility Area (SRA). As of July 1, 2014 the fee has been set at \$152.33 per residence. The 2015 state budget appropriated \$5 million of SRA fee money for grants to fund fuel (vegetation) hazard reduction, fire prevention education and training, and fire prevention planning.

OCFA 2016 SRA Application

SRA Fuel Reduction: Applications have been submitted for Coto De Caza, Emerald Bay, and the unincorporated canyon communities located in the eastern area of the county. The community associations of Coto De Caza and Emerald Bay will lead the management of their respective projects to remove hazardous fuel from around homes in their communities. The OCFA will lead the proposed project clearing fuels adjacent to emergency roads in the eastern canyon communities.

Status of 2015 Award

Countywide Wildfire Protection Plan (CWPP): Based on a 2015 grant award from CAL FIRE, the OCFA is developing a CWPP. The contract to produce the plan has been issued and work is under way. The CWPP will identify specific communities in need of improved defensible space and vegetation removal projects. The plan will be completed in 2016 and OCFA will then prioritize future grant applications for fire prevention and fuels reduction activities.

Staffing for Adequate Fire and Emergency Response (SAFER)

Application Opens:
Estimated February 2016

This FEMA grant funds the hiring of “front-line” firefighters. The OCFA is eligible to request funding to hire new firefighter positions, including adding a fourth firefighter on engines to enhance service delivery, improve efficiency, and provide for optimal firefighter safety. In the past, this grant has had a zero local cost share requirement and has provided funding for two years. There has also been no requirement to maintain positions after the two year grant period ends.

OCFA 2016 SAFER Application

Firefighters Staffing: The OCFA is considering a request to increase staffing on units in several of our cities. Buena Park, San Clemente, and Tustin each have an engine currently staffed with three firefighters. Adding a fourth firefighter on these units will improve service delivery and firefighter safety.

2016 Outlook

FEMA Fire Prevention and Safety Grant

Application Opens: Spring 2016

Activities under this grant fall into categories of general education/awareness, arson investigation, and fire code education/awareness. Projects under consideration include supporting OCFA’s ongoing smoke alarm installations and wildland safety efforts.

California Fire Safe Council Grant

Application Opens: Spring 2016

This grant supports activities in the area of creating defensible space, vegetation removal, community education, and planning. Eligible applicants include fire departments and community groups, such as local fire safe councils.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3E
Consent Calendar

**Secured Fire Protection Agreements for
Irvine Gateway Apartments, Irvine Gateway Townhomes,
7905 Gateway Hotel, and Reata at Oakbrook Village**

Contact(s) for Further Information

Brian Young, Assistant Chief
Organizational Planning Department

brianyoung@ocfa.org

714.573.6014

Tamy Rivers, Management Analyst

tamyrivers@ocfa.org

714.573.6199

Summary

This item is submitted to authorize the Fire Chief to execute Secured Fire Protection Agreements (SFPAs) with Fairfield Von Karman LLC, related to the Irvine Gateway Apartments Project (Lot 1) and Irvine Gateway Townhomes Project (Lot 2) of Tract 17785, in the City of Irvine, Oakbrook Urban Village I, LLC, related to the Reata at Oakbrook Village Project of Tract Map No. 17460, in the City of Laguna Hills, and Spectrum Gateway Hotels, LLC, related to the 7905 Gateway Hotel Project (Parcel 2) of Parcel Map 201-161, in the City of Irvine.

Prior Board/Committee Action(s)

No committee action required or requested.

RECOMMENDED ACTION(S)

1. Approve and authorize the Fire Chief or his designee to execute Secured Fire Protection Agreements with Fairfield Von Karman LLC, related to the Irvine Gateway Apartments (Lot 1) and Irvine Gateway Townhomes (Lot 2) of Tract 17785, in the City of Irvine.
2. Approve and authorize the Fire Chief or his designee to execute a Secured Fire Protection Agreement with Spectrum Hotels, LLC, related to the 7905 Gateway Hotel Project (Parcel 2) of Parcel Map 201-161, in the City of Irvine.
3. Approve and authorize the Fire Chief or his designee to execute a Secured Fire Protection Agreement with Oakbrook Urban Village I, LLC, related to the Reata at Oakbrook Village Tract Map No. 17460, in the City of Laguna Hills.
4. Direct the Clerk of the Authority to record the Secured Fire Protection Agreements in the Official Records of the County of Orange, and furnish the developers copies of the conformed documents within fifteen days of recordation.

Impact to Cities/County

These agreements have no negative impacts to any of our member cities or the County.

Fiscal Impact

Revenue received from these agreements will be assigned to the Capital Improvement Program in Fund 123. Revenue produced by full entitlements on the Irvine Gateway Apartment project is estimated to be \$217,800; \$42,600 for the Irvine Gateway Townhome Project; \$111,600 for 7905 Gateway Hotel Project, and \$179,400 for the Reata at Oakbrook Village Project for a total revenue of \$551,400.

Background

These SFPAs define the fair share contributions needed to adequately serve the intended developments and current communities adjacent to the project areas. The fair share contributions are \$600 per dwelling unit and are intended to cover a pro rata share of costs associated with providing fire protection infrastructure to the new developments. Payments will be made to OCFA after the agreements are signed and recorded and prior to the first building permit. The proposed agreements should provide OCFA and the developers with the ability to make long-range plans and decisions with respect to both infrastructure costs and operational costs associated with the development. These SFPAs provide OCFA with the necessary assurances needed to complete work/review on enhancements to the regional emergency fire services delivery system.

Irvine Gateway Apartments and Townhomes, City of Irvine

Fairfield Von Karman LLC is developing Irvine Gateway Apartments on Lot 1 and Irvine Gateway Townhomes on Lot 2 of Tentative Tract Map No. 17785, in the City of Irvine. These projects will provide 363 apartment and 71 townhome dwelling units in the project areas. The SFPAs are a required condition for project approval as per the Irvine Business Community adopted Environmental Impact Report (EIR), and is in the standard form and at the standard per unit cost required for new development. Revenues generated from the agreement are not restricted; staff contemplates using the fees for improvements to build Fire Station 52 (Ortega Valley) or rebuild Fire Station 28 (Irvine). Estimated revenue for the apartment project is \$217,800 and \$42,600 for the townhomes.

7905 Gateway Hotel, City of Irvine

Spectrum Gateway Hotels, LLC, related to 7905 Gateway Hotel Project (Parcel 2) of Parcel Map 201-161, in the City of Irvine. This project will provide the 186 equivalent dwelling units in the project area. The SFPA is a required condition for project approval as per the Irvine Business Community adopted EIR, and is in the standard form and at the standard per unit cost required for new development. Revenues generated from the agreement are not restricted; staff contemplates using the fees for improvements to build Fire Station 52 (Ortega Valley) or rebuild Fire Station 28 (Irvine). Estimated revenue for this project is \$111,600.

Reata at Oakbrook Village, City of Laguna Hills

Oakbrook Urban Village I, LLC, related to the Reata at Oakbrook Village Tract Map No. 17460, in the City of Laguna Hills. This project will provide 289 dwelling units and 10 equivalent dwelling units in the project area. The SFPA is a required condition for project approval and is in the standard form and the standard per unit cost required for new development. Revenues generated from the agreement are not restricted; staff contemplates using the fees to build future Fire Station 12 (TBD). Estimated revenue for this project is \$179,400.

Attachment(s)

1. SFPA Irvine Gateway Apartments
2. SFPA Irvine Gateway Townhomes
3. SFPA 7905 Gateway Hotel
4. SFPA Reata at Oakbrook Village

SECURED FIRE PROTECTION AGREEMENT

by and between the

**ORANGE COUNTY FIRE AUTHORITY,
A CALIFORNIA JOINT POWERS AUTHORITY**

and

Fairfield Von Karman LLC

Effective Date: 01/28/2016

Project Name: Irvine Gateway Apartments

**ORANGE COUNTY FIRE AUTHORITY
SECURED FIRE PROTECTION AGREEMENT**

WITH

Fairfield Von Karman LLC

This Secured Fire Protection Agreement ("Agreement") is made between the Orange County Fire Authority, a California Joint Powers Authority ("OCFA") and Fairfield Von Karman LLC ("Company"), and is effective as of January 28, 2016.

RECITALS

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

B. This Agreement covers real property owned by Company located within the County of Orange and the City of Irvine as of the date of this Agreement, all as described on Exhibit A attached hereto. The extent of Company development for which fire protection services will be provided by Authority shall cover all of the property subject to Lot 1 of Tentative Tract Map No. 17785.

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

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

AGREEMENT

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

SECTION 1. DEFINITIONS

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

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

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

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

"Company" means Fairfield Von Karman LLC

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

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

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

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

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

SECTION 2. COMPANY OBLIGATIONS

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

A. Acknowledgment of Obligations and Satisfaction of OCFA Requirements

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

B. Pro Rata Share

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

(a) A cash contribution in an amount determined by multiplying the applicable fee in effect at the time payment is due by the number of proposed residential dwelling units and, in the case of commercial development, the square footage equivalency as determined by the formula in subparagraph (b) below (all as shown on the attached Exhibit B), within ten (10) days of issuance of the first residential or commercial building permit ("Due Date") for any portion of the property owned by Company within the Project Area as of the Effective Date. The parties agree that the applicable fee on the Effective Date is \$600/unit. The parties further agree that the Company's total funding obligation on the effective date of this Agreement is \$217,800 (all as shown on Exhibit B).

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

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

3. In the event that the actual number of dwelling units, or equivalent dwelling units, built is less than 363, OCFA will make such adjustments as may be appropriate, including the payment of any refund for any amounts overpaid. At build-out, documentation satisfactory to OCFA shall be furnished to OCFA which

verifies the actual number of dwelling units, or equivalent dwelling units, constructed and that no further units, or equivalent units, shall be built on the property in the Project Area owned by Company on the Effective Date. Such documentation shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built (calculated by subtracting the total number of units, or equivalent units, built from 363, the total number of units, or equivalent units, allowed). OCFA shall refund the Company for any amounts overpaid within thirty (30) days of the earlier of (i) written notification to OCFA that the Company will build less than the 363 proposed residential dwelling units; and (ii) the date the OCFA receives the above-referenced documentation which shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built.

SECTION 3. SECURITIES

A. Security to Guarantee Payment

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

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

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

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

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

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

SECTION 4. DEFAULT AND ATTORNEYS' FEES

A. Remedies Not Exclusive

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

B. Attorneys' Fees and Costs

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

SECTION 5. GENERAL PROVISIONS

A. Successors and Assigns

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

B. Density and Intensity of Development

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

C. Waiver of Rights and Claims

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

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

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

D. Good Faith Negotiations

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

E. Severability

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

F. Notices

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

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

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

To: Fairfield Von Karman LLC
5510 Morehouse Drive, Suite 200
San Diego, CA 92121
Attn: Jon MacDonald

WITH COPY TO:
None

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

G. Entire Agreement

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

H. Recordation of Agreement

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

I. Time of the Essence

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

J. Exhibits to Agreement

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

- Exhibit A - Project Area
- Exhibit B - Fire Service Impact Fees

K. Authorized Signatories

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

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

ORANGE COUNTY FIRE AUTHORITY
a California Joint Powers Authority

Date: _____

By: _____

Jeff Bauman, Fire Chief
Orange County Fire Authority

ATTEST:

By: _____

Sherry Wentz
Clerk of the Orange County
Fire Authority

Date: _____

APPROVED AS TO FORM:

David E Kendig
GENERAL COUNSEL

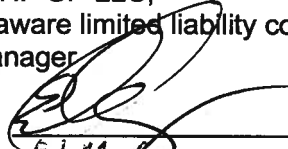
By: *David E Kendig*

Date: *1/7/15*

FAIRFIELD VON KARMAN LLC,
a Delaware limited liability company

By: FFI Von Karman LLC,
a Delaware limited liability company,
its Manager

By: FFI CHF GP LLC,
a Delaware limited liability company,
its Manager

By: 
Name: Ed McCarty
Title: V.P.
Date: 12/18/15

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
 County of SAN DIEGO)
 On December 18, 2015 before me, Olga Buelna, Notary Public,
 Date Here Insert Name and Title of the Officer
 personally appeared Eel McCoy
 Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Olga Buelna
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

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

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

PROJECT AREA – LOT 1 OF TRACT MAP NO. 17785



EXHIBIT B
FIRE SERVICE IMPACT FEES

Dwelling Units	Rate	Obligation
363	\$600	\$ 217,800
		<hr/>
Total Units – 363	\$600	\$ 217,800

SECURED FIRE PROTECTION AGREEMENT

by and between the

**ORANGE COUNTY FIRE AUTHORITY,
A CALIFORNIA JOINT POWERS AUTHORITY**

and

Fairfield Von Karman LLC

Effective Date: 01/28/2016

Project Name: Irvine Gateway Townhomes

**ORANGE COUNTY FIRE AUTHORITY
SECURED FIRE PROTECTION AGREEMENT**

WITH

Fairfield Von Karman LLC

This Secured Fire Protection Agreement ("Agreement") is made between the Orange County Fire Authority, a California Joint Powers Authority ("OCFA") and Fairfield Von Karman LLC ("Company"), and is effective as of January 28, 2016.

RECITALS

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

B. This Agreement covers real property owned by Company located within the County of Orange and the City of Irvine as of the date of this Agreement, all as shown on Exhibit A attached hereto. The extent of Company development for which fire protection services will be provided by Authority shall cover all of the property subject to Lot 2 of Tentative Tract Map No. 17785.

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

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

AGREEMENT

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

SECTION 1. DEFINITIONS

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

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

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

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

"Company" means Fairfield Von Karman LLC

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

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

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

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

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

SECTION 2. COMPANY OBLIGATIONS

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

A. Acknowledgment of Obligations and Satisfaction of OCFA Requirements

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

B. Pro Rata Share

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

(a) A cash contribution in an amount determined by multiplying the applicable fee in effect at the time payment is due by the number of proposed residential dwelling units and, in the case of commercial development, the square footage equivalency as determined by the formula in subparagraph (b) below (all as shown on the attached Exhibit B), within ten (10) days of issuance of the first residential or commercial building permit ("Due Date") for any portion of the property owned by Company within the Project Area as of the Effective Date. The parties agree that the applicable fee on the Effective Date is \$600/unit. The parties further agree that the Company's total funding obligation on the effective date of this Agreement is \$42,600 (all as shown on Exhibit B).

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

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

3. In the event that the actual number of dwelling units, or equivalent dwelling units, built is less than 71, OCFA will make such adjustments as may be appropriate, including the payment of any refund for any amounts overpaid. At build-out, documentation satisfactory to OCFA shall be furnished to OCFA which

verifies the actual number of dwelling units, or equivalent dwelling units, constructed and that no further units, or equivalent units, shall be built on the property in the Project Area owned by Company on the Effective Date. Such documentation shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built (calculated by subtracting the total number of units, or equivalent units, built from 71, the total number of units, or equivalent units, allowed). OCFA shall refund the Company for any amounts overpaid within thirty (30) days of the earlier of (i) written notification to OCFA that the Company will build less than the 71 proposed residential dwelling units; and (ii) the date the OCFA receives the above-referenced documentation which shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built.

SECTION 3. SECURITIES

A. Security to Guarantee Payment

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

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

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

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

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

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

SECTION 4. DEFAULT AND ATTORNEYS' FEES

A. Remedies Not Exclusive

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

B. Attorneys' Fees and Costs

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

SECTION 5. GENERAL PROVISIONS

A. Successors and Assigns

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

B. Density and Intensity of Development

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

C. Waiver of Rights and Claims

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

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

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

D. Good Faith Negotiations

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

E. Severability

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

F. Notices

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

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

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

To: Fairfield Von Karman LLC
5510 Morehouse Drive, Suite 200
San Diego, CA 92121
Attn: Jon MacDonald

WITH COPY TO:
None

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

G. Entire Agreement

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

H. Recordation of Agreement

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

I. Time of the Essence

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

J. Exhibits to Agreement

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

- Exhibit A - Project Area
- Exhibit B - Fire Service Impact Fees

K. Authorized Signatories

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

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

ORANGE COUNTY FIRE AUTHORITY
a California Joint Powers Authority

Date: _____

By: _____

Jeff Bauman, Fire Chief
Orange County Fire Authority

ATTEST:

By: _____

Sherry Wentz
Clerk of the Orange County
Fire Authority

Date: _____

APPROVED AS TO FORM:

David E Kendig
GENERAL COUNSEL

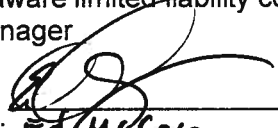
By: David Kendig

Date: 1/7/15

FAIRFIELD VON KARMAN LLC,
a Delaware limited liability company

By: FFI Von Kaman LLC,
a Delaware limited liability company,
its Manager

By: FFI CHF GP LLC,
a Delaware limited liability company,
its Manager

By: 
Name: Ed McCoy
Title: V.P.
Date: 11/30/15

PROJECT AREA – LOT 2 OF TRACT MAP NO. 17785



EXHIBIT B
FIRE SERVICE IMPACT FEES

Dwelling Units	Rate	Obligation
71	\$600	\$ 42,600
Total Units – 71	\$600	<hr/> \$ 42,600

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

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

State of California)

County of San Diego)On December 1st, 2015 before me, Olga Buelna, Notary Public,
Date Here Insert Name and Title of the Officerpersonally appeared Ed McCoy
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature Olga Buelna
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

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

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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

Signer Is Representing: _____

Signer's Name: _____

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

Signer Is Representing: _____

SECURED FIRE PROTECTION AGREEMENT

by and between the

ORANGE COUNTY FIRE AUTHORITY,
A CALIFORNIA JOINT POWERS AUTHORITY

and

SPECTRUM GATETWAY HOTELS, LLC, A CALIFORNIA LIMITED LIABILITY
COMPANY

Effective Date: January 28, 2016

Project Name: 7905 GATEWAY HOTEL

**ORANGE COUNTY FIRE AUTHORITY
SECURED FIRE PROTECTION AGREEMENT**

WITH

SPECTRUM GATEWAY HOTELS, LLC. This Secured Fire Protection Agreement ("Agreement") is made between the Orange County Fire Authority, a California Joint Powers Authority ("OCFA") and Spectrum Gateway Hotels, LLC, a California limited liability company ("Company"), and is effective as of January 28, 2016.

RECITALS

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

B. This Agreement covers real property, Parcel 2 of Parcel Map 2012-161, owned or to be acquired by Company located within the County of Orange and the City of Irvine as of the date of this Agreement, all as described on Exhibit A attached hereto (the "Project Area"). The extent of Company development for which fire protection services will be provided by Authority shall cover all of the Project Area.

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

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

AGREEMENT

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

SECTION 1. DEFINITIONS

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

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

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

“City” means the City of Irvine, a member of OCFA.

“Company” means Spectrum Gateway Hotels, LLC, a California limited liability company.

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

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

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

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

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

SECTION 2. COMPANY OBLIGATIONS

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

A. Acknowledgment of Obligations and Satisfaction of OCFA Requirements

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

B. Pro Rata Share

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

(a) A cash contribution in an amount determined by multiplying the applicable fee in effect at the time payment is due by the number of proposed residential dwelling units and, in the case of commercial development, the square footage equivalency as determined by the formula in subparagraph (b) below (all as shown on the attached Exhibit B), within ten (10) days of issuance of the first residential or commercial building permit ("Due Date") for any portion of the Project Area. The parties agree that the applicable fee on the Effective Date is \$600/unit. The parties further agree that the Company's total funding obligation on the effective date of this Agreement is \$111,600.00 (all as shown on Exhibit B).

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

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

3. In the event that the actual number of dwelling units, or equivalent dwelling units, built is less than 186, OCFA will make such adjustments as may be appropriate, including the payment of any refund for any amounts overpaid. At build-out, documentation satisfactory to OCFA shall be furnished to OCFA which verifies the actual number of dwelling units, or equivalent dwelling units, constructed and that no further units, or equivalent units, shall be built in the Project Area, unless such additional units shall be subject to the payment of an additional *pro rata* share by

Company to OCFA, calculated using the same formula in Section 2(A)(1)(b) herein. Such documentation shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built (calculated by subtracting the total number of units, or equivalent units, built from 186, the total number of units, or equivalent units, allowed). OCFA shall refund the Company for any amounts overpaid within thirty (30) days of the earlier of (i) written notification to OCFA that the Company will build less than the 186 proposed equivalent dwelling units; and (ii) the date the OCFA receives the above-referenced documentation which shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built.

SECTION 3. SECURITIES

A. Security to Guarantee Payment

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

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

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

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

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

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

SECTION 4. DEFAULT AND ATTORNEYS' FEES

A. Remedies Not Exclusive

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

B. Attorneys' Fees and Costs

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

SECTION 5. GENERAL PROVISIONS

A. Successors and Assigns

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

B. Density and Intensity of Development

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

C. Waiver of Rights and Claims

Company agrees and acknowledges that there is an essential nexus between its *pro rata* share and a legitimate governmental interest and that its *pro rata* share is roughly proportional to and reasonably and rationally related to the impacts that will be caused by development of the Project Area.

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

D. Good Faith Negotiations

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

E. Severability

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

F. Notices

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

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

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

To: Spectrum Gateway Hotels, LLC
Attn: Robert D. Olson
520 Newport Center Drive, #600
Newport Beach, California 92660

WITH COPY TO:
Scott S. Pollard
Attorney at Law
2804 Cliff Drive
Newport Beach, California 92663

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

G. Entire Agreement

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

H. Recordation of Agreement

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

I. Time of the Essence

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

J. Exhibits to Agreement

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

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

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///

///

K. Authorized Signatories

Company, OCFA and their respective signatories herein covenant and represent that each individual executing this Agreement is a person duly authorized to execute this Agreement for Company or OCFA, respectively.

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

ORANGE COUNTY FIRE AUTHORITY
a California Joint Powers Authority

Date: _____ By: _____
Jeff Bowman, Fire Chief
Orange County Fire Authority

ATTEST:

By: _____ Date: _____
Sherry Wentz
Clerk of the Orange County
Fire Authority

APPROVED AS TO FORM:


DAVID E. KENDIG
GENERAL COUNSEL

By: David Kendig Date: 1/20/16

SPECTRUM GATEWAY HOTELS, LLC,
a California limited liability company

By: Olson Real Estate Group, Inc.,
a California corporation, its Manager

Date: 01-14-2016

By: 
Robert D. Olson
President

By: Joseph Martelli Real Estate
Investments, Inc.,
a California corporation, its Manager

Date: 1/14/16

By: 
Joseph Martelli
President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

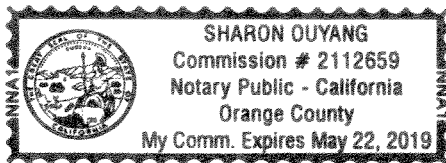
State of California)

County of Orange)On January 14, 2016 before me, Sharon Ouyang, Notary Public,
Date Here Insert Name and Title of the Officerpersonally appeared Robert D. Olson and Joseph Martelli
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature [Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached DocumentTitle or Type of Document: OCFA Agreement Document Date: _____

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

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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

Signer Is Representing: _____

Signer's Name: _____

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

Signer Is Representing: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROJECT AREA

PARCEL A:

PARCEL 2 OF PARCEL MAP 2012-161, IN THE CITY OF IRVINE, COUNTY OF ORANGE, CALIFORNIA, AS SHOWN ON A MAP RECORDED ON APRIL 29, 2013 IN BOOK 376, PAGES 1 TO 3, INCLUSIVE, OF PARCEL MAPS, OFFICIAL RECORDS OF SAID COUNTY.

PARCEL B:

A PERPETUAL NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY ON, OVER AND ACROSS THAT PORTION OF PARCEL 1 OF PARCEL MAP 2012-161, LYING WITHIN THE REAL PROPERTY DESCRIBED AND DELINEATED AS THE "EASEMENT AREA" IN THAT CERTAIN RESERVATION OF ACCESS EASEMENTS, RECORDED ON APRIL 29, 2013, AS INSTRUMENT NO. 2013000253919 IN THE OFFICIAL RECORDS.

PARCEL C:

NON-EXCLUSIVE EASEMENTS FOR USE AND ENJOYMENT, AS SAID EASEMENTS ARE SET FORTH IN ARTICLE VII ENTITLED "EASEMENTS" OF THE IRVINE SPECTRUM 1 CORPORATE ESTATES DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED SEPTEMBER 16, 1985, AS INSTRUMENT NO. 85-351938 OF THE OFFICIAL RECORDS. (NOT LOCATABLE)

APN: 585-044-02

SHEET 1 OF 3 SHEETS
2 NUMBERED PARCELS
ACREAGE: 9.353 ACRES
CALL OF VESTING TENTATIVE
PARCEL MAP NO. 2012-161
DATE OF SURVEY: AUGUST, 2012

PARCEL MAP NO. 2012-161

IN THE CITY OF IRVINE, COUNTY OF ORANGE,
STATE OF CALIFORNIA

BEING A SUBDIVISION OF PARCEL 8 OF PARCEL MAP NO. 85-280 AS SHOWN ON
A MAP FILED IN BOOK 203, PAGES 9 THROUGH 17, INCLUSIVE OF PARCEL MAPS
IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

HUNSAKER AND ASSOCIATES IRVINE, INC.
PAUL R. HUDDLESTON JR., L.S. 7083

ACCEPTED AND FILED AT THE
REQUEST OF
FIRST AMERICAN TITLE COMPANY

DATE: APRIL 27, 2013

TIME: 1:35 PM FEE: \$10.00

INSTRUMENT NO. 201300253918

BOOK 376 PAGE 1-3 P/M

HUGH NGUYEN
COUNTY CLERK - RECORDER

BY Paul R. Huddleston Jr.
DEPUTY

OWNERSHIP CERTIFICATE:

WE, THE UNDERSIGNED, BEING ALL PARTIES HAVING ANY RECORD TITLE INTEREST IN THE LAND COVERED BY THIS MAP, DO HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP, AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE.

THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED TO THE CITY OF IRVINE AS EASEMENTS FOR PUBLIC STREET AND PUBLIC UTILITY PURPOSES: IRVINE CENTER DRIVE AND GATEWAY AS SHOWN ON THIS MAP.

WE ALSO HEREBY RELEASE AND RELINQUISH TO THE CITY OF IRVINE ALL VEHICULAR ACCESS RIGHTS TO IRVINE CENTER DRIVE, GATEWAY AND ALTON PARKWAY, EXCEPT AT STREET INTERSECTIONS AND APPROVED ACCESS LOCATIONS.

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES AT THE REQUEST OF THE IRVINE COMPANY LLC IN AUGUST, 2012. I HEREBY STATE THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, OR THAT THEY WILL BE SET IN SUCH POSITIONS WITHIN 90 DAYS AFTER ACCEPTANCE OF IMPROVEMENTS AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP.

PAUL R. HUDDLESTON JR., L.S. 7083



CITY ENGINEER'S CERTIFICATE:

THIS MAP CONFORMS WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE. I HAVE EXAMINED SAID MAP AND I AM SATISFIED IT IS TECHNICALLY CORRECT. THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP.

AND DO HEREBY ACCEPT SUBJECT TO COMPLETION OF IMPROVEMENTS, THE EASEMENTS FOR PUBLIC STREET AND PUBLIC UTILITY PURPOSES OF IRVINE CENTER DRIVE AND GATEWAY AS DEDICATED.

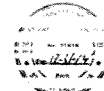
ON BEHALF OF THE CITY OF IRVINE, I HEREBY ACCEPT:

THE VEHICULAR ACCESS RIGHTS FOR IRVINE CENTER DRIVE, GATEWAY AND ALTON PARKWAY, AS RELEASED AND RELINQUISHED.

I ALSO HEREBY STATE THAT THE CITY HAS APPROVED SUBJECT MAP PURSUANT TO THE PROVISIONS OF SECTION 66436 (a)(3)(A) OF THE SUBDIVISION MAP ACT.

DATED THIS 15TH DAY OF APRIL, 2013.

MARK L. CARROLL, C.E. 31515
CITY ENGINEER, CITY OF IRVINE
REGISTRATION EXPIRES 12/31/2014



NOTARY ACKNOWLEDGMENT:

STATE OF CALIFORNIA } ss.
COUNTY OF ORANGE

ON APRIL 10, 2013, BEFORE ME, DEBORAH A. DUNCAN, NOTARY PUBLIC, PERSONALLY APPEARED THOMAS P. SULLIVAN AND JEFFREY J. WALLACE WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND:

SIGNATURE Deborah A. Duncan

NOTARY PUBLIC IN AND FOR SAID STATE

DEBORAH A. DUNCAN

(NAME PRINTED)

MY PRINCIPAL PLACE OF BUSINESS IS
IN ORANGE COUNTY.

MY COMMISSION EXPIRES: MARCH 19, 2014

MY COMMISSION NO.: 1813004 (1813004)

COUNTY SURVEYOR'S CERTIFICATE:

THIS MAP IS ACCEPTABLE FOR RECORDATION THIS 25TH DAY OF APRIL, 2013.

KEVIN H. HILLS, COUNTY SURVEYOR
L.S. 6817, EXPIRATION DATE: 12-31-13

BY: Chris Wehrman
DEPUTY SURVEYOR



IMPROVEMENT CERTIFICATE:

PURSUANT TO THE PROVISIONS OF SECTION 66411.1 OF THE SUBDIVISION MAP ACT, NOTICE IS HEREBY GIVEN THAT THE FOLLOWING IMPROVEMENTS ARE REQUIRED TO BE CONSTRUCTED OR WITHIN A FUTURE TIME LIMIT:

1. STREET IMPROVEMENTS INCLUDING, BUT NOT LIMITED TO, PAVEMENT, CURB AND GUTTER, MEDIANS, SIDEWALKS, DRIVE APPROACHES, STREET LIGHTING, AND SIGNING AND STRIPPING.
2. STORM DRAIN FACILITIES.
3. LANDSCAPING AND COMPUTERIZED IRRIGATION CONTROL SYSTEM (FOR ALL PUBLIC STREETS, PARKS AND PUBLIC AREAS).
4. SEWER, RECLAIMED AND/OR DOMESTIC WATER SYSTEMS, AS REQUIRED BY THE APPROPRIATE SEWER AND WATER DISTRICTS AS WELL AS THE ORANGE COUNTY FIRE AUTHORITY WHEN APPROPRIATE.
5. MONUMENTATION.

SIGNATURE OMISSIONS:

PURSUANT TO THE PROVISIONS OF SECTION 66436 (a)(3) OF THE SUBDIVISION MAP ACT, THE FOLLOWING SIGNATURES HAVE BEEN OMITTED:

SOUTHERN CALIFORNIA EDISON COMPANY, HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES RECORDED JANUARY 13, 1987 AS INSTRUMENT NO. 87-020310 OF OFFICIAL RECORDS.

PACIFIC BELL, HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES RECORDED JANUARY 29, 1987 AS INSTRUMENT NO. 87-050880 OF OFFICIAL RECORDS.

COUNTY TREASURER-TAX COLLECTOR'S CERTIFICATE:

STATE OF CALIFORNIA } ss.
COUNTY OF ORANGE

I HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF MY OFFICE THERE ARE NO LIENS AGAINST THE LAND COVERED BY THIS MAP OR ANY PART THEREOF FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOT YET PAYABLE.

AND DO CERTIFY TO THE RECORDER OF ORANGE COUNTY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT HAVE BEEN COMPLIED WITH REGARDING DETECTORS TO SECURE THE PAYMENT OF TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND COVERED BY THIS MAP.

DATED THIS 24TH DAY OF APRIL, 2013.

SHARIL FLEGENBACH
COUNTY TREASURER-TAX COLLECTOR

BY: The Jorgensen
DEPUTY TREASURER-TAX COLLECTOR



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EXHIBIT B
FIRE SERVICE IMPACT FEES

Commercial development square footage may be divided by 1,000 and then multiplied by 0.9 (nine/tenths or 9/10) to reach the equivalent dwelling units:

$$206,322 \text{ square feet} / 1,000 \times 0.9 = 185.69$$

Equivalent Dwelling Units	Rate	Obligation
186	\$600	\$ 111,600

SECURED FIRE PROTECTION AGREEMENT

by and between the

ORANGE COUNTY FIRE AUTHORITY,
A CALIFORNIA JOINT POWERS AUTHORITY

and

Oakbrook Urban Village I, LLC

Effective Date: December 2, 2015

Project Name: Reata at Oakbrook Village

ORANGE COUNTY FIRE AUTHORITY
SECURED FIRE PROTECTION AGREEMENT
WITH

Oakbrook Urban Village I, LLC

This Secured Fire Protection Agreement ("Agreement") is made between the Orange County Fire Authority, a California Joint Powers Authority ("OCFA") and Oakbrook Urban Village I, LLC ("Company"), and is effective as of December 2, 2015.

RECITALS

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

B. This Agreement covers real property owned by Company located within the County of Orange and the City of Laguna Hills as of the date of this Agreement, all as described on Exhibit A attached hereto. The extent of Company development for which fire protection services will be provided by Authority shall cover all of the property subject to Tentative Tract Map No. 17460.

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

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

AGREEMENT

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

SECTION 1. DEFINITIONS

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

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

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

"City" means the City of Laguna Hills, a member of OCFA.

"Company" means Oakbrook Urban Village I, LLC

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

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

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

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

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

SECTION 2. COMPANY OBLIGATIONS

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

A. Acknowledgment of Obligations and Satisfaction of OCFA Requirements

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

B. Pro Rata Share

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

(a) A cash contribution in an amount determined by multiplying the applicable fee in effect at the time payment is due by the number of proposed residential dwelling units and, in the case of commercial development, the square footage equivalency as determined by the formula in subparagraph (b) below (all as shown on the attached Exhibit B), within ten (10) days of issuance of the first residential or commercial building permit ("Due Date") for any portion of the property owned by Company within the Project Area as of the Effective Date. The parties agree that the applicable fee on the Effective Date is \$600/unit. The parties further agree that the Company's total funding obligation on the effective date of this Agreement is \$179,400.00 (all as shown on Exhibit B).

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

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

3. In the event that the actual number of dwelling units, or equivalent dwelling units, built is less than 299, OCFA will make such adjustments as may be appropriate, including the payment of any refund for any amounts overpaid. At build-out, documentation satisfactory to OCFA shall be furnished to OCFA which

verifies the actual number of dwelling units, or equivalent dwelling units, constructed and that no further units, or equivalent units, shall be built on the property in the Project Area owned by Company on the Effective Date without notifying OCFA in accordance with Section 5A below. Such documentation shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built (calculated by subtracting the total number of units, or equivalent units, built from 299, the total number of units, or equivalent units, allowed). OCFA shall refund the Company for any amounts overpaid within thirty (30) days of the earlier of (i) written notification to OCFA that the Company will build less than the 299 proposed residential dwelling units; and (ii) the date the OCFA receives the above-referenced documentation which shall serve as the basis for making any necessary adjustments by multiplying the applicable fee in effect at the time of the last payment to OCFA by the actual number of units, or equivalent units, that were not built.

SECTION 3. SECURITIES

A. Security to Guarantee Payment

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

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

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

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

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

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

SECTION 4. DEFAULT AND ATTORNEYS' FEES

A. Remedies Not Exclusive

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

B. Attorneys' Fees and Costs

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

SECTION 5. GENERAL PROVISIONS

A. Successors and Assigns

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

B. Density and Intensity of Development

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

C. Waiver of Rights and Claims

Company agrees and acknowledges that there is an essential nexus between its *pro rata* share and a legitimate governmental interest and that its *pro rata* share is roughly proportional to and reasonably and rationally related to the impacts that will be caused by development of the Project Area.

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

D. Good Faith Negotiations

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

E. Severability

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

F. Notices

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

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

To:
Greg Anderson
130 Vantis Drive, Suite 200
Aliso Viejo, CA 92656

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

WITH COPY TO:
Julia Guizan
130 Vantis Drive, Suite 200
Aliso Viejo, CA 92656

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

G. Entire Agreement

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

H. Recordation of Agreement

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

I. Time of the Essence

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

J. Exhibits to Agreement

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

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

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K. Authorized Signatories

Each party covenants and represents that each individual executing this Agreement are duly authorized to execute this Agreement.

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

ORANGE COUNTY FIRE AUTHORITY
a California Joint Powers Authority

Date: _____

By: _____
Jeff Bowman, Fire Chief
Orange County Fire Authority

ATTEST:

By: _____
Sherry Wentz
Clerk of the Orange County
Fire Authority

Date: _____


APPROVED AS TO FORM:

By: 
DAVID KENDIG
GENERAL COUNSEL


Date: 1/7/15

OAKBROOK URBAN VILLAGE I, LLC,
a Delaware limited liability company

By: Shea Properties Management
Company, Inc.,
a Delaware corporation
Its Manager

By: 
Name: Greg Anderson
Its: Assistant Secretary

Date: _____

By: 
Name: Julia Guizan
Its: Vice President

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

State of California)
County of Orange)

On 12/14/2015, before me, L. Riddle, a Notary Public,
personally appeared Cree Anderson and Julia Huizan,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

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

WITNESS my hand and official seal.

Signature L. Riddle

EXHIBIT A

LEGAL DESCRIPTION OF THE PROJECT AREA

LOT 1:

BEING A PORTION OF PARCELS 2, 3, 4 & 16 OF PARCEL MAP NO. 80-120, AS SHOWN ON A MAP FILED IN BOOK 187, PAGES 42, 43 AND 44 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE NORTH 22°24'07" WEST 116.86 FEET TO THE BEGINNING OF A 800.00 FOOT RADIUS CURVE CONCAVE WESTERLY; THENCE NORTHWESTERLY 8.13 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 00°34'57"; THENCE NORTH 69°05'00" WEST 16.65 FEET; THENCE NORTH 24°39'55" WEST 59.39 FEET; THENCE NORTH 12°51'33" EAST 15.94 FEET TO THE BEGINNING OF A 800.00 FOOT RADIUS CURVE CONCAVE WESTERLY; THENCE NORTHWESTERLY 36.87 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 02°38'25"; TO THE TRUE POINT OF BEGINNING, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 58°21'37" EAST; THENCE SOUTH 64°49'03" WEST, 541.37 FEET; THENCE SOUTH 25°10'57" EAST, 1.50 FEET; THENCE SOUTH 64°49'03" WEST, 157.33 FEET; THENCE SOUTH 25°10'57" EAST, 52.89 FEET; THENCE SOUTH 64°49'03" WEST, 5.00 FEET; THENCE SOUTH 25°10'57" EAST, 21.12 FEET; THENCE SOUTH 64°49'03" WEST, 128.00 FEET; THENCE NORTH 25°10'57" WEST, 4.51 FEET; THENCE SOUTH 64°49'03" WEST, 29.50 FEET; THENCE SOUTH 25°10'57" EAST, 4.51 FEET; THENCE SOUTH 64°49'03" WEST, 34.00 FEET; THENCE NORTH 51°14'45" WEST, 39.29 FEET; THENCE SOUTH 38°45'15" WEST, 46.00 FEET; THENCE NORTH 32°10'13" WEST, 37.86 FEET; THENCE NORTH 57°49'47" EAST, 131.93 FEET TO THE BEGINNING OF A 21.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE NORTHWESTERLY 32.99 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 90°00'00"; THENCE NORTH 32°10'13" WEST 13.06 FEET, TO THE BEGINNING OF A 26.00 FOOT RADIUS CURVE CONCAVE NORTHEASTERLY; THENCE NORTHEASTERLY 40.84 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 90°00'00"; THENCE NORTH 57°49'47" EAST 164.15 FEET, TO THE BEGINNING OF A 113.00 FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY; THENCE NORTHEASTERLY 82.00 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 41°34'46"; TO THE BEGINNING OF A REVERSE 5.00 FOOT RADIUS CURVE CONCAVE NORTHERLY TO WHICH BEGINNING OF CURVE A RADIAL LINE BEARS SOUTH 09°24'33" WEST; THENCE 3.02 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 34°35'30"; THENCE NORTH 64°49'03" EAST 230.27 FEET; THENCE SOUTH 77°11'50" EAST 36.28 FEET TO THE BEGINNING OF A NON TANGENT 118.00 FOOT RADIUS CURVE CONCAVE EASTERLY, TO WHICH BEGINNING OF CURVE A RADIAL LINE BEARS SOUTH 72°10'46" WEST; THENCE NORTHERLY 22.94 FEET ALONG THE ARC OF SAID CURVE THROUGH A DELTA OF 11°08'27"; THENCE NORTH 64°49'03" EAST 142.37 FEET; THENCE NORTH 25°10'57" WEST 30.00 FEET; THENCE NORTH 64°49'03" EAST 50.84 FEET; THENCE NORTH 53°12'46" EAST 56.76 FEET; THENCE NORTH 16°43'58" EAST 16.18 FEET TO A POINT ON A NON-TANGENT CURVE HAVING A RADIUS OF 800.00 FEET, CONCAVE WESTERLY, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 50°11'53" EAST; THENCE SOUTHEASTERLY 113.97 FEET ALONG THE ARC OF SAID CURVE AND SAID WESTERLY LINE THROUGH A DELTA OF 8°09'44" TO THE TRUE POINT OF BEGINNING.

LOT 2:

BEING A PORTION OF PARCELS 1, 2, 3, 4 & 16 OF PARCEL MAP NO. 80-120, AS SHOWN ON A MAP FILED IN BOOK 187, PAGES 42, 43 AND 44 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Certificate of Compliance for Lot Line Adjustment

Certificate of Compliance for LLA – 2013-01

APN No.: 620-491-06, 620-491-07, 620-491-08, 620-491-09, 620-491-21

BEGINNING AT THE MOST EASTERLY CORNER OF SAID PARCEL 1; THENCE SOUTH 64°49'03" WEST, 865.14 FEET; THENCE SOUTH 88°32'12" WEST, 100.00 FEET; THENCE NORTH 15°29'09" WEST, 69.96 FEET; THENCE NORTH 51°14'45" WEST, 71.40 FEET; THENCE NORTH 38°45'15" EAST, 72.75 FEET; THENCE SOUTH 51°14'45" EAST, 39.29 FEET; THENCE SOUTH 64°49'03" WEST, 10.50 FEET; THENCE SOUTH 25°10'57" EAST, 81.49 FEET; THENCE NORTH 64°49'03" EAST, 7.08 FEET; THENCE SOUTH 25°10'57" EAST, 20.00 FEET; THENCE NORTH 64°49'03" EAST, 215.00 FEET; THENCE SOUTH 25°10'57" EAST, 3.69 FEET; THENCE NORTH 64°49'03" EAST, 249.92 FEET; THENCE NORTH 25°10'57" WEST, 2.19 FEET; THENCE NORTH 64°49'03" EAST, 435.42 FEET TO THE NORTHEASTERLY LINE OF SAID PARCEL 1, THENCE ALONG SAID NORTHEASTERLY LINE SOUTH 22°24'07" EAST, 67.08 FEET TO THE POINT OF BEGINNING

CONTAINS 1.59 ACRES OF LAND, MORE OR LESS.

LOT 3:

BEING A PORTION OF PARCELS 1, 2, 4 & 16 OF PARCEL MAP NO. 80-120, AS SHOWN ON A MAP FILED IN BOOK 187, PAGES 42, 43 AND 44 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST EASTERLY CORNER OF SAID PARCEL 1; THENCE NORTH 22°24'07" WEST, 67.08 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 64°49'03" WEST, 435.42 FEET; THENCE SOUTH 25°10'57" EAST, 2.19 FEET; THENCE SOUTH 64°49'03" WEST, 249.92 FEET; THENCE NORTH 25°10'57" WEST, 3.69 FEET; THENCE SOUTH 64°49'03" WEST, 215.00 FEET; THENCE NORTH 25°10'57" WEST, 20.00 FEET; THENCE SOUTH 64°49'03" WEST, 7.08 FEET; THENCE NORTH 25°10'57" WEST, 81.49 FEET; THENCE NORTH 64°49'03" EAST, 44.50 FEET; THENCE NORTH 25°10'57" WEST, 4.51 FEET; THENCE NORTH 64°49'03" EAST, 29.50 FEET; THENCE SOUTH 25°10'57" EAST, 4.51 FEET; THENCE NORTH 64°49'03" EAST, 128.00 FEET; THENCE NORTH 25°10'57" WEST, 21.12 FEET; THENCE NORTH 64°49'03" EAST, 5.00 FEET; THENCE NORTH 25°10'57" WEST, 52.89 FEET; THENCE NORTH 64°49'03" EAST, 157.33 FEET; THENCE NORTH 25°10'57" WEST, 1.50 FEET; THENCE NORTH 64°49'03" EAST, 541.37 FEET TO THE BEGINNING OF A NON-TANGENT 800.00 FOOT RADIUS CURVE ON THE NORTHEASTERLY LINE OF SAID PARCEL 16 CONCAVE SOUTHWESTERLY, ALONG SAID NORTHEASTERLY LINE, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 58°21'37" EAST; THENCE ALONG SAID NORTHEASTERLY LINE SOUTHERLY 36.87 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°38'25", A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 61°00'02" EAST; THENCE SOUTH 12°51'33" WEST, 15.94 FEET; THENCE SOUTH 24°39'55" EAST, 59.39 FEET; THENCE SOUTH 69°05'00" EAST, 16.65 FEET TO THE BEGINNING OF A NON-TANGENT 800.00 FOOT CURVE CONCAVE SOUTHWESTERLY, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 67°00'56" EAST; THENCE SOUTHEASTERLY 8.13 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 0°34'57", A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 67°35'53" EAST; THENCE SOUTH 22°24'07" EAST, 49.78 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT B
FIRE SERVICE IMPACT FEES

Dwelling Units	Rate	Obligation
289	\$600	\$173,400
Commercial Retail Space		
11,312 square feet / 1,000sf *0.9 = 10 dwelling units		
10	\$600	\$6,000
Total Units – 299		<hr/> \$179,400



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3F
Consent Calendar

Final Financial Report for Construction of Fire Station 56

Contact(s) for Further Information

Mike Schroeder, Assistant Chief
Support Services Department

michaelschroeder@ocfa.org

714.573.9023

Steve Chambers, Property Manager

stevechambers@ocfa.org

714.573.6471

Summary

This item reports the total project cost for the new construction of Fire Station 56, Sendero Ranch.

Prior Board/Committee Action(s)

At its July 23, 2015, the Board approved the actions tied to filing the Notice of Completion for Fire Station 56. At that time, staff informed the Board that a report of the total cost would be made available to the Board, as soon as all invoices were finalized.

RECOMMENDED ACTION(S)

Receive and file the report.

Impact to Cities/County

Fire Station 56 is in service.

Fiscal Impact

Station was completed on-time and under the total \$5.25 million budget.

Background

On January 24, 2014, the Board of Directors awarded a public works construction contract with a value of five million dollars to Erickson-Hall Builders to design and build Fire Station 56. The contract value included all costs associated with the station project. The Board also authorized a contingency of two hundred fifty thousand dollars, 5% of the contract value for a total project budget of five million two hundred fifty thousand dollars. Construction began August 4, 2014, and proceeded through completion without difficulty. The Notice of Completion was recorded August 6, 2015. A Certificate of Occupancy was issued by the County of Orange August 17, 2015, and the station was put into service on August 21, 2015. The project was completed with two OCFA directed change orders:

Change Order #1:

Technological Upgrade to the Station Alert System

Total cost: \$94,505

Change Order #2:

1. Exterior Lighting Revision (in response to association requests)
2. Fuel Site Water Quality Compliance Upgrade
3. Furniture, Fixtures, and Equipment (provided by OCFA)

Total cost: \$51,829

The total project budget breakdown is as follows:

Base Contract:	\$5,000,000
Contingency	\$250,000
Total Budget	\$5,250,000
Total Change Value	\$146,334
Final Cost	\$5,146,334
Percentage Change	2.8%

Attachment(s)

None.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 3G
Consent Calendar

Award of Bid #RO2087
Upgrade of Emergency Power Distribution for the
Regional Fire Operations and Training Center

Contact(s) for Further Information

Mike Schroeder, Assistant Chief Support Services Department	michaelschroeder@ocfa.org	714.573.6023
Steve Chambers, Property Manager	stevechambers@ocfa.org	714.573.6471

Summary

This agenda item is submitted for approval to award a public works contract to Computer Network Support & Service, Inc. to upgrade emergency power distribution within the Regional Fire Operations and Training Center (RFOTC).

Prior Board/Committee Action(s)

Not Applicable.

RECOMMENDED ACTION(S)

Approve and authorize the Purchasing Manager to award a public works contract to Computer Network Support & Services, Inc. in the amount of \$370,000 to upgrade emergency power distribution within the Regional Fire Operations and Training Center.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Sufficient funds have been authorized under the FY 2015-16 Budget.

Background

The existing emergency generator currently provides power to only about 30% of RFOTC circuits and is insufficiently loaded for economical and efficient use. Modifications are required to provide power availability to all of RFOTC, options for prioritizing available power for critical needs, and redundant capability during a major incident.

On October 30, 2015, an Invitation for Bid (IFB) with approved plans and specifications was issued and posted and 267 vendors were notified. On November 27, 2015, and December 4, 2015, the project was advertised in the Orange County Register. Twenty contractors attended the mandatory job walk held on December 2, 2015. The bid included all required modifications needed to upgrade emergency power distribution at RFOTC, as well as a contingency plan, if necessary.

On December 21, 2015, purchasing received construction bids from the following contractors:

- | | |
|--|-----------|
| 1. Computer Network Support & Services, Inc. | \$370,000 |
| 2. Baker Electric | \$373,365 |
| 3. GA Technical Services | \$384,450 |
| 4. Pacific Winds Building, Inc. | \$414,000 |
| 5. First Electric Systems | \$447,500 |
| 6. Miron Electric Construction Corporation | \$533,900 |

Based on the results of the IFB, staff is recommending approval of this contract award to Computer Network Support Services, Inc. as the lowest responsive responsible bidder, based on base bid in the amount of \$370,000.

Attachment(s)

Contract with Computer Network Support Service, Inc.

ORANGE COUNTY FIRE AUTHORITY CONSTRUCTION CONTRACT

Per Bid R02087

THIS CONTRACT is made and entered into, to be effective, this ____ day of January 2016, by and between Computer Network Support & Services Inc., hereinafter referred to as "Contractor," and the Orange County Fire Authority, hereinafter referred to as "Authority."

SECTION 1 - GENERAL CONDITIONS

Contractor certifies and agrees that all the terms, conditions, and obligations of the Contract Documents as defined therein, the location of the Project site, and the conditions under which the work is to be performed, have been thoroughly reviewed and enters into this Contract based upon Contractor's investigation of all such matters and is in no way relying upon any opinions or representations of Authority. It is agreed that this Contract and the attached exhibits (collectively "Contract Documents") represent the entire agreement. It is further agreed that the Contract Documents, attached hereto and identified in Section 11 of this Contract, including without limitation the General Conditions, Scope of Work, Notice Inviting Bids, Special Instructions to Bidders, if any, and Contractor's Bid, and any revision, amendment, or addenda thereto, shall be deemed a part of such Contract Documents, and the Contractor and its subcontractors, if any, will be and are bound by any and all of the Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract. Contractor further certifies and agrees that the work described in the Contract Documents will be performed, installed, constructed, and completed in a professional and expert manner and that all such work will be completed on time and within budget.

SECTION 2 - MATERIALS AND LABOR

Contractor shall furnish, under the conditions expressed in the Contract Documents, at Contractor's own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by the Authority, to construct and complete the Project, in good workmanlike and substantial order. If Contractor fails to pay for labor or materials when due, Authority may settle such claims by making demand upon the surety to this Agreement. In the event of the failure or refusal of the surety to satisfy said claims, Authority may settle them directly and deduct the amount of payments from the Contract price and any amounts due to Contractor. In the event Authority receives a stop notice from any laborer or material supplier alleging nonpayment by Contractor, Authority shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

SECTION 3 - CONTRACT PRICE AND METHOD OF PAYMENT

Authority agrees to pay and the Contractor agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum of three hundred seventy thousand (\$370,000) as shown on Exhibit A.

Within thirty (30) days from the commencement of work, there shall be paid to the Contractor a sum equal to ninety-five percent (95%) of the value of the actual work completed plus a like percentage of the value of material suitably stored at the worksite or approved storage yards subject to or under the control of the Authority, since the commencement of the work as determined by the Authority. Thereafter, on a schedule issued by the Authority at the commencement of the job which shows a minimum of one payment made to the Contractor per month for each successive month as the work progresses and the request for payment due dates from the Contractor to meet the payment schedule, the Contractor shall be paid such sum as will bring the total payments received since the commencement of the work up to ninety-five percent (95%) of the value of the work completed since the commencement of work as determined by the Authority, less all previous payments, provided that the Contractor submits the request for payment prior to the end of the day required to meet the payment schedule. The Authority will retain five percent (5%) of the amount of each such progress estimate and material cost until the Final Payment.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the Authority's Project Manager, stating that the work for which payment is demanded has been performed in accordance with the terms of the Contract, and that the amount stated in the certificate is due under the terms of the Contract. Partial payments on the Contract price shall not be considered as an acceptance of any part of the work.

SECTION 4 – TIME OF COMMENCEMENT AND COMPLETION

Contractor agrees to commence the Project within 15 calendar days from the date of execution of this Agreement and shall diligently prosecute the work to completion as provided for in the Contract Documents, excluding delays caused or authorized by the Authority as set forth in Contract Documents.

Time is of the essence of this Contract. As required by the Contract Documents, Contractor shall prepare and obtain approval of all shop drawings, details, and samples, and do all other things necessary and incidental to the prosecution of Contractor's work in conformance with an approved construction schedule. Contractor shall coordinate the work covered by this Contract with that of all other Contractors, subcontractors and of the Authority, if any, in a manner that will facilitate the efficient completion of the entire work in accordance with the Contract Documents. Authority shall have the right to assert complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of Contractor on the premises.

SECTION 5 – LIQUIDATED DAMAGES FOR DELAY

The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 4 plus any allowance made for delays or extensions authorized under the Contract Documents, the Authority will sustain damage which would be extremely difficult and impracticable to ascertain. The parties therefore agree that Contractor will pay to Authority the sum of Three Hundred Dollars (\$300.00) per day, as liquidated damages, and not as a penalty, for each and every calendar day during which completion of the Project is so delayed. Contractor agrees to pay such liquidated damages and further agrees that Authority may offset the amount of liquidated damages from any monies due or that may become due Contractor under this Contract.

SECTION 6 – COMPLETION

Within 10 days after the Contract completion date of the Project, Contractor shall file with the Project Manager its affidavit stating that all workers and persons employed, all firms supplying materials, and all subcontractors upon the Project have been paid in full, and that there are no claims outstanding against the Project for either labor or material, except those certain items, if any, to be set forth in an affidavit covering disputed claims, or items in connection with Stop Notices which have been filed under the provisions of the statutes of the State of California. The Project Manager may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier.

Upon receipt of Contractor's affidavit, the Project Manager shall prepare appropriate documentation setting forth the particular details of the completed Project, including but not limited to, description and amount of all change orders, the final amounts of the Contract, as amended, the time and dates of the total agreement and the identification of any unresolved claims or disputes. If necessary, Project Manager shall submit the Project and the agreements to the Board of Directors for acceptance of the job as complete.

SECTION 7 – SURETY BONDS

General Requirements

To the extent required under Civil Code section 9550, the Contractor shall furnish, prior to the signing the Agreement, and maintain thereafter, a payment bond in the amount of 100 percent of the Contract price including all applicable sales taxes. The bond shall be first approved by the office of the Counsel of the Authority. Such bonds shall be in substantially the form provided in the Contract Documents and issued

by a surety authorized by the State Insurance Commissioner to do business in California, and have and maintain, throughout the life of the Project, at least an A- policyholder's rating, or better, and a financial rating of Class VII, or better, in accordance with the most current A.M. Best's Rating Guide.

Unacceptable Surety

If any surety upon any bond furnished in connection with the Contract Documents becomes unacceptable to the Authority, or if any such surety fails to furnish reports as to its financial condition from time to time as requested by the Project Manager, the Contractor shall promptly furnish such additional security as may be required by the Project Manager or the Board of Directors from time to time to protect the interests of the Authority and of persons supplying labor materials in the prosecution of the work contemplated by this Contract.

SECTION 8 – INSURANCE

Contractor is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation. Contractor and all subcontractors shall carry workers' compensation insurance for the protection of its employees during the progress of the work. The insurer shall waive its rights of subrogation against Authority, its officers, agents, and employees and shall issue an endorsement certificate to the policy evidencing same.

Contractor shall at all times carry, on all operations hereunder, bodily injury, including death and property damage liability insurance, including automotive operations, bodily injury and property damage coverage; and builders' all risk insurance. All insurance coverage shall be in amounts specified by Authority in the Insurance Requirements and shall be evidenced by the issuance of a certificate in a form prescribed by the Authority and shall be underwritten by insurance companies satisfactory to Authority for all operations, subcontract work, contractual obligations, product or completed operations, all owned vehicles and non-owned vehicles. Said insurance coverage obtained by the Contractor, excepting workers' compensation coverage, shall name the Authority, its Directors, Officers, Agents, Employees, Project Manager, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents, and Employees, as determined by the Authority, as additional insured on said policies.

Before Contractor performs any work at, or prepares or delivers materials to, the site of construction, Contractor shall furnish certificates of insurance evidencing the foregoing insurance coverage and such certificates shall provide the name and policy number of each carrier and policy and that the insurance is in force and will not be canceled without thirty (30) days written notice to Authority.

Contractor shall maintain all of the foregoing insurance coverage in force until the work under this Contract is fully completed and accepted by Authority. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of Authority by Contractor under this Contract. Notwithstanding nor diminishing the obligations of Contractor with respect to the foregoing, Contractor shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company admitted in California and having an A.M. Best's Guide Rating of "A-" Class VII or better: However, Authority will accept State Compensation Insurance Fund, for the required policy of Worker's Compensation subject to Authority's option to require a change in insurer in the event the State Fund financial rating is decreased below "B".

Workers' Compensation	Minimum of \$1,000,000 - In Accordance with the Workers' Compensation Act of the State of California.
Public Liability, in the form of either Comprehensive General Liability or Commercial General Liability written on a per-occurrence basis	\$1,000,000 Combined Single Limit, per occurrence for bodily injury, death, and property damage; OR \$ 500,000 per occurrence, with

	<p>\$1,000,000 aggregate for bodily injury, death, and property damage; OR</p> <p>\$1,000,000 aggregate, separate for this Project for bodily injury, death and property damage.</p>
Automobile Liability, including non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence.

Authority or its representatives shall at all times have the right to inspect and receive the original or a certified copy of all said policies of insurance, including certificates. Contractor shall pay the premiums on the insurance hereinabove required.

SECTION 9 – RISK AND INDEMNIFICATION

All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Contractor alone. Contractor agrees to save, indemnify and keep Authority, its Directors, Officers, Agents, Employees, Project Manager, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Authority, and will make good to and reimburse Authority for any expenditures, including reasonable attorneys' fees Authority may incur by reason of such matters, and if requested by Authority, will defend any such suits at the sole cost and expense of Contractor.

In the event Contractor or its insurer refuses or fails to provide a legal defense to Authority after receiving written notice of the legal action and a tender and demand for defense, Authority shall have the right to select counsel of its own choice to represent all the interests of the Authority. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by Authority from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs.

SECTION 11 – CONTRACT DOCUMENTS

For the purposes of this Agreement the "Contract Documents are the items listed below. The Contract Documents are hereby incorporated into this Agreement and made a part thereof by this reference.

- 1) OCFA Invitation for Bid RO2087
- 2) Orange County Fire Authority General Conditions
- 3) Drawings and Specifications for Upgrade of Emergency Power Distribution by RFOTC (Produced by Mullen & Associates Inc. and approved by OCFA)
- 4) Contractor Bid responding to RO2087 of December 22, 2015
- 5) Contractor Bid Bond dated December 21, 2015
- 6) Contractor Performance Bond
- 7) Contractor Labor and Materials Payment Bond
- 8) Designation of Subcontractors
- 9) Non-Collusion Affidavit
- 10) Site Visit Certification December 2, 2015
- 11) Contractor Certification of Worker's Compensation
- 12) Contractor Certification of Non-Discrimination by Contractors
- 13) Contractor Debarment and Suspension Certification
- 14) Designator of Sureties

- 15) Prevailing Wage Certification
- 16) Addenda to RO2087, Number 1 and 2
- 17) Supplemental Agreements amending or extending the Work contemplated and which may be required to complete the Work in a substantial and acceptable manner

SECTION 12 – MISCELLANEOUS PROVISIONS

Compliance with Labor Code and Public Contract Code. Authority is subject to the provisions of law relating to prevailing wages, labor law generally, and public contracts in the State of California. It is agreed that all provisions of law applicable to public contracts are a part of this Contract to the same extent as though set forth herein, and will be complied with by the Contractor.

No contractor or subcontractor may be listed on a proposal for a public works unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded or perform a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor shall not pay less than the prevailing wage. It shall be the responsibility of the Contractor to obtain the prevailing wage rates from the Director of Industrial Relations directly.

Independent Contractor. Neither Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority.

Assignment. Contractor shall neither delegate its duties or obligations, nor assign its rights with respect to this Contract, either in whole or in part. Any such attempted delegation and/or assignment shall be void and deemed void at such occurrence, if it were to occur.

Computation of Time. When any period of time is referred to in these Contract Documents by days, it shall be computed to exclude the first and include the last day of the period, provided, however, that if the last day of the period falls on a Saturday, Sunday, or legal holiday, that day shall be omitted from the computation.

Interest. Any monies not paid when due to either party under this Contract shall bear interest at the rate of ten (10%) percent per annum, commencing on the forty-sixth (46th) day after demand for payment thereof after such monies are lawfully due and payable, except as otherwise provided in these Contract Documents.

Remedies Cumulative. No remedy herein reserved to Authority is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other given in the Contract as now or hereafter existing or at law, equity, or by statute.

Non-waiver. The failure of the Authority to notify the Contractor of any default under this Contract shall not be deemed to be a waiver by Authority of any continuing default by Contractor of any term, covenant, or condition set forth in this Contract, nor of the Authority's right to declare a default for any such continuing breach, and the failure of Authority to insist upon strict performance of any of the terms, covenants, or conditions of the Contract, or to exercise any option in the Contract in any one or more instances, shall not be construed as a waiver or relinquishment of any such terms, covenants, conditions or options, but the same shall be and remain in full force and effect.

Severability. In case any one or more provisions set forth in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, any such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract, and this Contract shall be construed as if such invalid, illegal, or

unenforceable provision had never been incorporated therein so long as the deletion of such provision does not, in the Authority's judgment, materially alter this Contract.

No Third Party Beneficiaries. This Contract is not intended and shall not be deemed or construed, to confer any rights, powers, or privileges on any person, firm, partnership, corporation, or other entity not a party to this Contract except as may be expressly provided in the Contract to the contrary.

Oral Agreements. No oral order, objection, claim, or notice by any party to the other shall affect or modify any of the terms or obligations contained in this Contract, and none of the provisions of the Contract shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or Modification in writing and executed in the manner required in this Contract by authorized officers or representatives of the Parties. No evidence shall be introduced in any proceeding of any other waiver or modification.

Counterparts. This Contract may be executed in any number of counterparts, and each of such counterparts for all purposes shall be deemed to be an original, and all of such counterparts should constitute one and the same agreement.

Governing Law. The Contract, including the Contract Documents, shall be governed by the laws of the State of California.

Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

Services Prior to Execution. Notwithstanding the fact that this Contract is executed as of the date first set forth above, the Parties recognize that a portion of the Work required under the Contract may have been performed prior to such date, all of which Work shall be governed by the terms and conditions of this Contract and shall be deemed to be a part of the Work. Without limiting the foregoing, all of Contractor's liabilities and obligations to Authority shall apply to all Work and services provided by the Contractor for the Work prior hereto, notwithstanding the fact that the Work may have been performed prior to the date hereof pursuant to prior negotiations, representations, agreements, understandings, or otherwise.

Survival of Rights. Any indemnity, warranty, guarantee given by the Contractor to the Authority under this Contract shall survive the expiration or termination of this Contract and shall be binding upon Contractor until any action under this Contract is barred by the applicable statute of limitations.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Construction Agreement as of the date first hereinabove written.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Jeff Bowman, Fire Chief

APPROVED AS TO FORM.

ATTEST:

By: 
DAVID E. KENDIG
GENERAL COUNSEL

Sherry A.F. Wentz
Clerk of the Board

Date: 1/20/16

"FIRM"

**COMPUTER NETWORK SUPPORT &
SERVICES INC.**

Date: 01/14/16

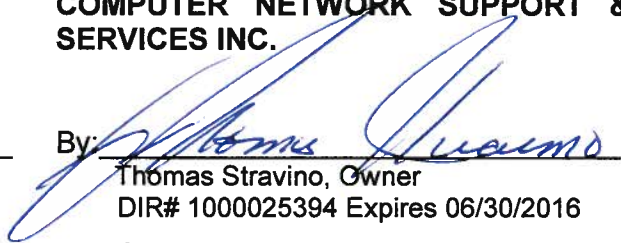
By: 
Thomas Stravino, Owner
DIR# 1000025394 Expires 06/30/2016
Contractor's State License No. 1003357
(Expiration Date 5/31/20 17)

EXHIBIT A

(SEE FOLLOWING PAGES)

1. BID FORMTo: **The Orange County Fire Authority (OCFA)**From: Computer Network Support & Services, Inc.

(Legal Name of Bidder)

Project: RO2087 – Upgrade of Emergency Power Distribution at RFOTC

The undersigned declares that the bid documents including, without limitation, the Invitation for Bids and the Instructions to Bidders have been read and agrees and proposes to furnish all necessary labor, materials, equipment and services to perform and furnish all work in accordance with the terms and conditions of the bid documents, including, without limitation, the Drawings and Specifications, and contract documents as provided in Bid RO2087 – Upgrade of Emergency Power Distribution at RFOTC. The bidder will accept in full payment for that work the following total lump sum amount, all taxes and markup included: (transferred from the Bid Pricing Page)

Emergency Electrical Power Distribution System Modifications	Amount
1) Base Bid: Installation of new 4000A Automatic Transfer Switch (ATS) per bid specifications, including reusing five (5) 3" underground conduits between the existing generator switchboard and the new ATS.	\$ 340,000.00
2) Contingency: Base bid with the installation of a new underground duct bank. (Approx. 350') with six (6) 4" conduits and 7#750 MCM, 1#350MCM G, AL, Including Sawcut and patching of asphalt, concrete encasement, two (2) pull boxes (one at each end), and connection to the ATS on the north end and to the distribution board 'EMS' on the south end. This contingency is provided as an option if existing five (5) 3" underground conduits between the existing generator switchboard and new ATS are not usable for this project.	\$ 170,172.00
3) Allowance	\$ 30,000.00
Total Base Bid for Emergency Electrical Power System Modifications: (Must match Total Base Bid Amount provided on page 49)	\$ \$370,000.00

A. Bid Base Lump Sum

Amount \$340,000.00

Written Three Hundred Forty Thousand Dollars

Dollars

B. Contingency Lump Sum

Amount \$170,172.00

Written One Hundred Seventy Thousand One Hundred Seventy Two Dollars

Dollars

C. Allowances

Amount \$30,000.00

Written Thirty Thousand Dollars

Dollars

Total Base Bid Amount (A+C) in Lump Sum

Amount \$370,000.00

Written Three Hundred Seventy Thousand Dollars

Dollars

Total Contingency Bid Amount (A+B+C) in Lump Sum

Amount \$540,712.00

Written Five Hundred Forty Thousand One Hundred Seventy Two Dollars

Dollars

1. The undersigned has reviewed the work outlined in the bid documents and fully understands the scope of work required in this bid, understands the construction and project management function(s) as described in the bid documents, and that each bidder who is awarded a contract shall be in fact the prime contractor, not a subcontractor, to the OCFA, and agrees that its bid, if accepted by the OCFA, will be the basis for the bidder to enter into a contract with the OCFA in accordance with the intent of the bid documents.
2. The undersigned had notified the OCFA in writing any discrepancies or omission or of any doubt, questions, or ambiguities about the meaning of any of the bid documents at least seventy two (72) hours prior to bid opening, and has contacted the OCFA Assistant Purchasing Agent before bid date to verify the issuance of any clarifying addenda.
3. The undersigned agrees to commence work under this Contract on the date established in the bid documents and to complete all work within the time specified in the Bid Documents.
4. **By submitting this Bid Form and signing below, the liquidated damages clause of the Agreement is hereby acknowledged.**
5. It is understood that the OCFA reserves the right to reject this bid and that the bid shall remain open to acceptance and is irrevocable for a period of sixty (60) days.

Schedule of Values

		DESCRIPTION OF WORK											
PROJECT TITLE:		Emergency Electrical Power Distribution System Modifications											
RO2087													
			MATERIAL		LABOR		EQUIPMENT		TOTALS		Group Total NOTES		
Item Description	UOM	Unit Quan	Unit Quan	Item Unit Cost	Unit Quan	Item Unit Cost	Unit Quan	Item Unit Cost	By Item Total	Major Item LS Total			
ELECTRICAL												\$ 82,940	Includes All Cu Cabling
Conduit Work	L.S.	1	1	2500	1	14240			\$ 16,740	\$ 16,740			
Pull Boxes	L.S.	1							\$ -	\$ -			
Splicing and Cable Identification	L.S.	1	1	37960	1	14240			\$ 52,200	\$ 52,200			
Connections to Equipment or System	L.S.	1			1	8000			\$ 8,000	\$ 8,000			
Grounding	L.S.	1							\$ -	\$ -			
Submittals, Shop Drawings and Record Drawings	L.S.	1			1	2500			\$ 2,500	\$ 2,500			
Inspections	L.S.	1			1	3500			\$ 3,500	\$ 3,500			
AUTOMATIC TRANSFER SWITCH												\$ 203,690	
Furnishing of ATS as specified	EACH	1	1	153790					\$ 153,790	\$ 153,790			
Installation (includes cable bus duct system)	L.S.	1	1	30300	1	16000			\$ 46,300	\$ 46,300			
Testing and Certification	L.S.	1			1	3600			\$ 3,600	\$ 3,600			
INSTRUMENTATION, CONTROL AND MONITORING SYSTEM												\$ 22,650	
Furnishing of ICM System as Specified	EACH	1	1	15000					\$ 15,000	\$ 15,000			
Installation and Supervision	L.S.	1			1	2400			\$ 2,400	\$ 2,400			
System Calibration	L.S.	1			1	1200			\$ 1,200	\$ 1,200			
System Validation	L.S.	1			1	1200			\$ 1,200	\$ 1,200			
Testing and Acceptance	L.S.	1			1	2400			\$ 2,400	\$ 2,400			
Instruction Manuals	EACH	10	1	450					\$ 450	\$ 450			
SITE CLEARING												\$ 3,000	
Site clearing as specified	L.S.	1			1	3000			\$ 3,000	\$ 3,000			
EARTHWORK												\$ 14,870	
Excavation	L.S.	1			1	2500	1	5000	\$ 7,500	\$ 7,500			
Furnish and Install Asphalt Paving as Specified	L.S.	10	1	2500	1	3300	1	1570	\$ 7,370	\$ 7,370			
CAST-IN-PLACE CONCRETE												\$ 12,850	
Furnish and Installation of Cast-in-Place Concrete as Specified	L.S.	1	1	3250	1	9600			\$ 12,850	\$ 12,850			
Total										\$ 340,000			

6. Bidder acknowledges receipt and acceptance of the following addenda, if any:

No. <u>1</u>	Dated <u>12-02-15</u>	No. <u>2</u>	Dated <u>12-15-15</u>
No. <u>N/A</u>	Dated <u>N/A</u>	No. <u>N/A</u>	Dated <u>N/A</u>

7. The undersigned hereby certifies that bidder is able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on the work.
8. The bidder represents that it is competent, knowledgeable, and has special skills with respect to the nature, extent, and inherent conditions of the work to be performed. Bidder further acknowledges that there are certain peculiar and inherent conditions existent in the construction of the work that may create, during the work, unusual or peculiar unsafe conditions hazardous to persons and property.
9. Bidder expressly acknowledges that it is aware of such peculiar risks and that it has the skill and experience to foresee and to adopt protective measures to adequately and safely perform the work with respect to such hazards.
10. Bidder expressly acknowledges that it is aware that if a false claim is knowingly submitted (as the terms "claim" and "knowingly" are defined in the California False Claims Act, Cal. Gov. Code, §12650 et seq.), the OCFA will be entitled to civil remedies set forth in the California False Claim Act. It may also be considered fraud and the bidder may be subject to criminal prosecution.
11. The undersigned bidder certifies that it is, and shall be throughout the period of the contract, licensed by the State of California to do the type of work required under the terms of the Bid Documents. Bidder further certifies that it is regularly engaged in the general class and type of work called for in the Bid Documents.
12. Bidder agrees and acknowledges that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and the bidder will comply with such provisions before commencing the performance of this contract.

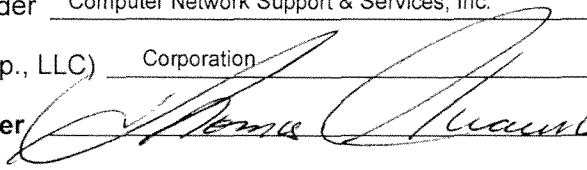
Furthermore, Bidder hereby certifies to the OCFA that all representations, certifications, and statements made by the bidder, as set forth in this bid form, are true and correct and are made under penalty of perjury.

Dated this 21 day of Decmeber 2015

Legal Name of Bidder Computer Network Support & Services, Inc.

Type of Entity (Corp., LLC) Corporation

Signature of Bidder



Title of Signer Owner/President/CEO

If Bidder is a Corporation, affix corporate seal

Name of Corporation Computer Network Support & Services, Inc.

Date of Incorporation 01-19-2005

President Thomas Stravino

Secretary Thomas Stravino

Treasurer Thomas Stravino

Manager Thomas Stravino

2. BID PRICING PAGE & SCHEDULE

Contractor is required to provide itemized pricing in this form that is based on Construction Specifications Institute (CSI)'s Master Format. Costs are to include all allowances in this form (please also provide separate listing of allowances in the form that follows).

SCHEDULE OF VALUES (See Attachment A)

PROPOSED SCHEDULE OF CONSTRUCTION

Task	Weeks
Emergency Electrical Power Distribution System Modifications	17
Total weeks for completion	17

WARRANTY

Please provide information regarding any materials and labor warranties you are applying with this bid.

Contractor warrants that all work will be free from faulty workmanship for a period of (30) days after Notice of Completion.

Material and manufactured parts will be warranted for period of (1) from the date of shipment by supplier.

3. BIDDER'S INFORMATION (REQUIRED)Bidder's Name Computer Network Support & Services, Inc.Bidder's Business Address 415 S. Flower Street, Burbank, Ca. 91502Contact Name Thomas Stravino E-Mail Address tstravino@cnservice.comTaxpayer ID Number 20-2266047Telephone Number 818-563-5044 Fax Number 818-563-5046California Contractors License Number and Class Class B and Class C-10Original Issue Date 05-04-2015 Expiration Date 05-31-2017How many years has the Bidder been in business under the present name? 10 years 11 months

What other names has the Bidder operated under?

N/A*If your company is owned by an individual or partnership, answer the following questions:*Date of Organization 01-27-2005 Type General
(i.e. general or limited partnership)

Name and address of all partners

N/A

If other than a corporation or partnership, describe organization and name principals.

N/A

List other states in which Bidder is legally qualified to do business.

N/A

What type of work does the Bidder normally perform with its own forces?

Electrical and General Construction

Has the Bidder ever failed to complete any work awarded? If so, note when, why and where.

NO

Have any of the current officers/partners of the Bidder's company ever been an officer/partner of another company that failed to complete a contract within the past five years? If so, please submit a separate page providing an explanation.

4. LIST OF PAST PROJECTS

The Bidder must demonstrate knowledge of public construction techniques and must possess a working ability to perform a similar scope of construction work for other public agencies. The OCFA expressly reserves the right to reject the bid of any bidder who has failed to complete three (3) similar projects of substantially the same type of work in a timely or satisfactory manner. The following are the names addresses, phone numbers, and contact information for three public agencies for which the Bidder has performed similar work within the past three (3) years. **Failure to provide the requested information may cause your bid to be rejected as non-responsive.**

Agency Name ORANGE COUNTY PUBLIC DEFENDER
 Address 14 CIVIC CENTER DRIVE, SANTA ANA, CA 92701
 Contact Person JERRY SAKAE LARIS
 Telephone Number 714-363-1333 E-mail JERRY.SAKAE.LARIS@PUBDEF.OC91
 Scope of Work/Dollar Amount CABLE INSTALL. - 180K. OC91
OC91

Agency Name ORANGE COUNTY DATA CENTER
 Address 1300 S. GRAND AVE SANTA ANA, CA 92705
 Contact Person JOHN QUITANA
 Telephone Number 714-567-5095 E-mail JOHN.QUITANA@CREDIT.OC9DV.COM
 Scope of Work/Dollar Amount CABLE INSTALL / 100 K.

Agency Name COUNTY OF ORANGE SOCIAL SERVICES
 Address 2020 WALNUT STREET
 Contact Person RAYMOND PEREZ
 Telephone Number 714-541-7474 E-mail RAYMOND.PEREZ@SSA.OC9DV.COM
 Scope of Work/Dollar Amount CABLE INSTALL / 150 K

Agency Name SOCIAL SERVICES AGENCY
 Address 1505 E. WARNER AVE Santa Ana, CA
 Contact Person MARIAN BRUNS
 Telephone Number 949-275-5709 E-mail MARIAN.BRUNS@SSA.OC9DV.COM
 Scope of Work/Dollar Amount 150 K / CABLE INSTALL.

5. LIST OF CURRENT PROJECTS

Provide a list of the current projects; duplicate this page if more space is needed.

[illegible]

6. CONTRACTOR'S LICENSING STATEMENT

The undersigned certifies that the Bidder is licensed in accordance with the laws of the State of California. The successful Bidder and subcontractors are required to hold the State of California Contractor's License(s) and DIR registration as required by SB854. Provide additional contractor's license details if applicable.

Contractor's License No. 1003357 Class Class B and Class C-10 Expiration 05-31-2017

Department of Industrial Relations (DIR) # 1000025394

Name of Individual Contractor Computer Network Support & Services, Inc.

Signature of Owner 

Business Address 415 S. Flower Street, Burbank, Ca. 91502

If the contractor operates under a partnership, provide the name of the firm, name, title and address below.

Name of Firm N/A

Business Address N/A

Name N/A Title N/A

Address N/A

Name N/A Title N/A

Address N/A

If the contractor operates under a corporation, provide the name and address below in addition to the signatures of the President and Secretary.

Name of Corporation Computer Network Support & Services, Inc.

Business Address 415 S. Flower Street, Burbank, Ca. 91502

Corporation organized under the laws of the State of California

 Signature of the Corporation President

 Signature of the Corporation Secretary

12-21-2015

Date

7. LIST OF SUBCONTRACTORS

Bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., it must clearly set forth below the name and location of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the work in an amount in excess of one-half of one percent (0.5%) of bidder's total bid and the kind of work that each will perform. Furthermore, bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., if bidder fails to list any portion of work, or if bidder lists more than one subcontractor to perform the same portion of work (i.e. bidder must indicate what portion of the work each subcontractor will perform), bidder must perform that portion itself or be subjected to penalty under applicable law.

If alternate bids are called for and bidder intends to use subcontractors different from or in addition to those subcontractors listed for work under the base bid, bidder must list subcontractors that will perform work in an amount in excess of one half of one percent (0.5%) of bidder's total bid, including alternates.

In case more than one subcontractor is named for the same kind of work, the Contractor is to state the portion of work that each subcontractor will perform. Bidders or suppliers of materials only do not need to be listed. If further space is required for the list of proposed subcontractors, additional sheets showing the required information, as indicated below, shall be attached hereto and made a part of this document.

Listed below is the name of each subcontractor that will perform work, labor, or render services to the undersigned related to the construction work of this project. This is to include any subcontractor that will specially fabricate and install a portion of work according to detailed drawings contained in the plans and specifications in the amount greater than one half of one percent (.05%) of the contractors total bid.

Subcontractor Name _____	Location _____
Portion of Work/Trade _____	
Bid Amount _____	
Contractor's License Number _____	DIR Number _____
Subcontractor Name _____	Location _____
Portion of Work/Trade _____	
Bid Amount _____	
Contractor's License Number _____	DIR Number _____
Subcontractor Name _____	Location _____
Portion of Work/Trade _____	
Bid Amount _____	
Contractor's License Number _____	DIR Number _____

8. DESIGNATOR OF SURETIES

Provide the names, addresses and telephone numbers for all insurance brokers and sureties the Bidder intends to purchase insurance and bonds from.

Company Name J.R. Olsen Bonds & Insurance Brokers, Inc.

Address 7407 Topanga Canyon Blvd., Conoga Park, Ca. 91303

Contact Name Phyllis Hart E-Mail Address phyllish@jrolsenbonds.com

Telephone Number (800) 452-7121- Ext. 108 Fax Number (818) 227-2749

Bond or Insurance/Type Bid Bond, Performance Bond, Payment Bond

Company Name N/A

Address N/A

Contact Name N/A E-Mail Address N/A

Telephone Number N/A Fax Number N/A

Bond or Insurance/Type N/A

Company Name N/A

Address N/A

Contact Name N/A E-Mail Address N/A

Telephone Number N/A Fax Number N/A

Bond or Insurance/Type N/A

Company Name N/A

Address N/A

Contact Name N/A E-Mail Address N/A

Telephone Number N/A Fax Number N/A

Bond or Insurance/Type N/A

I am the Owner/President/CEO of Computer Network Support & Services, Inc.
(Title) (Name of Contractor, Partnership, Corp.)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on December 21, 2015 in Burbank, Ca (date)

~~(city & state)~~

(Signature)

Thomas Stravino

(Print Name)

Owner/President/CEO

(Title)

10. CERTIFICATION OF NON-DISCRIMINATION BY CONTRACTORS

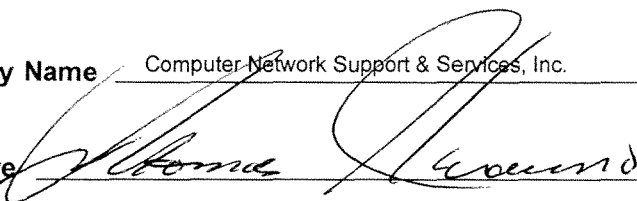
Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex of such persons, except as provided in Government Code Section 12940.

The firm listed below certifies that it does not discriminate in its employment with regard to the factors set forth in Labor Code Section 1735; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal employment opportunity in employment.

We agree specifically:

1. To establish or observe employment policies which affirmatively promote opportunities for minority persons at all job levels.
2. To communicate this policy to all persons concerned, including all company employees, outside recruiting services, especially those serving minority communities, and to the minority communities at large.
3. To take affirmative steps to hire minority employees within the company.

Company Name Computer Network Support & Services, Inc.

Signature 

Printed Name/Title of Company Representative Thomas Stravino

Date December 21, 2015

Please include any additional information available regarding equal opportunity employment programs now in effect within your company.

N/A

11. DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The Bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

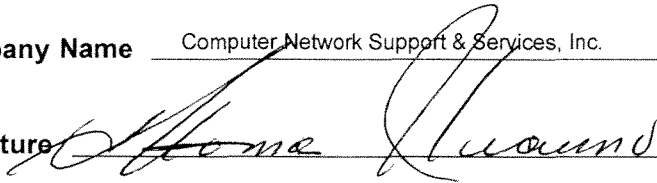
N/A

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Note: Providing false information may result in criminal prosecution or administrative sanctions.

Company Name Computer Network Support & Services, Inc.

Signature



Printed Name/Title of Company Representative Owner/President/CEO

Date December 21, 2015

12. CERTIFICATION OF SITE EXAMINATION

Each bidder shall be fully informed of the conditions relating to the construction of the work and the employment of labor thereon. Failure to do so will not relieve Contractor or subcontractor of the obligation to furnish all material and labor necessary to carry out the provisions of the contract documents.

Each bidder shall examine the site for the work described herein. Bidders shall attend a mandatory pre-bid inspection of the building(s) and site(s), conducted by the OCFA, unless otherwise specified. Failure to attend the mandatory pre-bid inspection shall be cause for rejection of the bid.

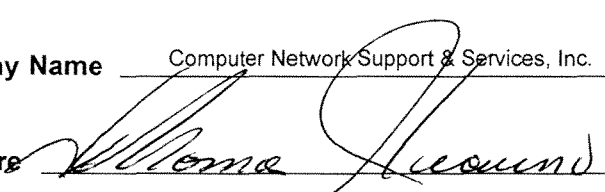
The specifications for the work show conditions as they are believed to exist. The conditions shown do not constitute a representation or warranty express or implied by the OCFA, its officers or agents that such conditions actually exist.

Each bidder also certifies it has observed the designated Contractor work areas, material equipment storage areas, access routes, as well as the ability to protect existing surface and subsurface improvements. No claim for allowance of time or money will be allowed for such matters.

This is to certify that I have examined the site and the bid is complete and there will be no additional payment for failure to examine the site thoroughly.

Date of Site Examination December 2, 2015

Company Name Computer Network Support & Services, Inc.

Signature 

Printed Name/Title of Company Representative Thomas Stravino

Date December 21, 2015

13. PARTY AND PARTICIPANT DISCLOSURE FORMS

The attached Party Disclosure Form must be completed and submitted by the bidder and subcontractors with the proposal by all firms subject to the campaign contribution disclosure requirements stated on page 5 of this solicitation.

The Participant Disclosure Form must be completed by lobbyists or agents representing the bidder in this procurement.

It is anticipated that a recommendation for award of this contract will be presented to the Board of Directors of the OCFA for approval. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE:

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any contract award, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date the solicitation is initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the contract award.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the contract award or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements¹ for use, including all entitlements for land use, all contracts² (other than competitively bid, labor or personal employment contracts), and all franchises.

- E. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."

- F. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
- G. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8 as it relates to contract awards. This notice shall not constitute legal advice, and may not be inclusive of all applicable laws and regulations.

¹ *Entitlement for the purposes of this form refers to contract award.*

² *All Contracts for the purposes of this form refer to the contract award of this specific solicitation.*

ORANGE COUNTY FIRE AUTHORITY
PARTY DISCLOSURE FORM

Party's Name: Computer Network Support & Services, Inc.

Party's Address: 415 S. Flower Street, Burbank, Ca. 91502

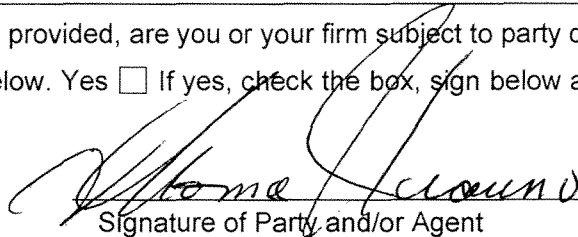
Party's Telephone: 818-563-5044

Solicitation Title and Number: IFB: RO2087 - Upgrade Of Emergency Power Distribution At RFOTC

Based on the party disclosure information provided, are you or your firm subject to party disclosures?

No ☒ If no, check the box and sign below. Yes ☐ If yes, check the box, sign below and complete the form.

Date: December 21, 2015


Signature of Party and/or Agent

To be completed only if campaign contributions have been made in the preceding twelve (12) months. Attach additional copies if needed.

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

**ORANGE COUNTY FIRE AUTHORITY
PARTICIPANT (AGENT) DISCLOSURE**

The Participant Disclosure Form must be completed by lobbyists or agents representing the bidder in this procurement. (Please see next page for definitions of these terms.)

It is anticipated that a recommendation for award of this contract will be presented to the Board of Directors of the OCFA for approval.

IMPORTANT NOTICE:

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving any contract award, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for contract award pending before the OCFA or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent has contributed more than \$250 to any board member or alternate for the OCFA or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition (The disclosure form will assist the board members in complying with the law).

If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the OCFA or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
- a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Authority's or one of its affiliated agencies' decisions in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:

(1) Communicates directly, either in person or in writing, with a

board member or alternate of the OCFA or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;

- (2) Communicates with an employee of the OCFA or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
 - (3) Testifies or makes an oral statement before the Board of Directors of the OCFA or any of its affiliated agencies.
- 2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
 - 3. Your "agent" is someone who represents you in connection with a proceeding for this proposed involving a contract award. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.
 - 4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
 - 5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

**ORANGE COUNTY FIRE AUTHORITY
PARTICIPANT DISCLOSURE FORM**

To be completed only if campaign contributions have been made in the preceding twelve (12) months. Attach additional copies if needed.

Prime's Firm Name: N/AParty's Name: N/AParty's Address: N/AParty's Telephone: N/ASolicitation Title and Number: N/A

Date: _____

N/A
Signature of Party and/or Agent

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

ORANGE COUNTY FIRE AUTHORITY

Board of Directors

Eugene Hernandez, Chair

Phillip Tsunoda, Director

Rob Johnson, Director

Gerard Goedhart, Director

Jerry McCloskey, Director

Don Sedgwick, Director

Dwight Robinson, Director

Carol Gamble, Director

Sam Allevato, Director

David Sloan, Director

Rick Barnett, Director

Craig Green, Director

Todd Spitzer, Director

Elizabeth Swift, Vice Chair

Al Murray, Director

Joseph Muller, Director

Jeffrey Lalloway, Director

Noel Hatch, Director

Warren Kusumoto, Director

Ed Sachs, Director

Bob Baker, Director

Roman Reyna, Director

David John Shawver, Director

Tri Ta, Director

Lisa Bartlett, Director

BIDDER'S BOND
(10% of the Total Bid Amount)

KNOW ALL PERSONS BY THESE PRESENTS:

That the undersigned, as Computer Network Support
and Service, Inc., as Principal ("Principal"),
Philadelphia Indemnity
Insurance Company as Surety ("Surety"),

a corporation organized and existing under and by virtue of the laws of the
State of Pennsylvania and authorized to do business as a surety in the State of California,
are held and bound unto the Orange County Fire Authority ("Authority") of Orange County,
State of California as Obligee, in the sum of

Thirty Four Thousand Four Hundred Dollars Dollars (\$ 34,400.00)

lawful money of the United States of America, for the payment of which sum well and truly to
be made, we, and each of us, bind ourselves, our heirs, executors, administrators, successors,
and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that whereas the Principal has submitted
a bid to the Authority for all work specifically described in the accompanying bid;

NOW, THEREFORE, if the Principal is awarded the Project and, within the time and manner
required under the Bid Documents, after the prescribed forms are presented to Principal for
signature, enters into a written contract ("Agreement"), in the prescribed form in accordance
with the bid, and files two bonds, one guaranteeing faithful performance and the other
guaranteeing payment for labor and materials as required by law, and meets all other
conditions to the contract between the Principal and the Obligee becoming effective, or if the
Principal shall fully reimburse and save harmless the Obligee from any damage sustained by
the Obligee through failure of the Principal to enter into the Agreement and to file the required
performance and labor and material bonds, and to meet all other conditions to the Agreement
between the Principal and the Obligee becoming effective, then this obligation shall be null and
void; otherwise, it shall be and remain in full force and effect. The full payment of the sum stated
above shall be due immediately if Principal fails to execute the Agreement within seven (7)
days of the date of the Authority's Notice of Award to Principal.

Surety, for value received, hereby stipulates and agrees that no change, extension of time,
alteration or addition to the terms of the Agreement or the call for bids, or to the work to be
performed thereunder, or the specifications accompanying the same, shall in any way affect its
obligation under this bond, and it does hereby waive notice of any such change, extension of
time, alteration or addition to the terms of the Agreement or the call for bids, or to the work, or
to the specifications.

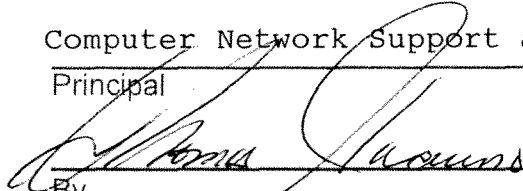
In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety
shall pay all costs incurred by the Obligee in such suit, including a reasonable attorneys' fee to
be fixed by the Court.

If the Authority awards the bid, the security of unsuccessful bidder(s) shall be returned within sixty (60) days from the time the award is made. Unless otherwise required by law, no bidder may withdraw its bid for ninety (90) days after the date of the bid opening.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on the 21st day of December, 2015.

(Affix Corporate Seal)

Computer Network Support and Service, Inc.
Principal


By

Thomas Stravino - CEO

Print Name and Title of Signatory

(Affix Corporate Seal)

Philadelphia Indemnity Ins. Co.

Surety


By James R. Olsen Attorney in Fact

OR Olsen Bonds & Insurance Brokers, Inc.

Name of California Agent of Surety
7407 Topanga Cyn Blvd.
Canoga Park, CA 91303

Address of California Agent of Surety

(800) 452-7121

Telephone Number of California Agent of

Surety

Bidder must attach Power of Attorney and Certificate of Authority for Surety and a Notarial Acknowledgment for all Surety's signatures. The California Department of Insurance must authorize the Surety to be an admitted Surety Insurer.



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Fidelity Mutual Group

BID

PHILADELPHIA INDEMNITY INSURANCE COMPANY

231 St. Asaph's Rd., Suite 100

Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: **JAMES R. OLSEN, R.M. FRIEDIK, GABBY ACOSTA AND ABEL ACOSTA OF J.R. OLSEN BONDS & INSURANCE BROKERS**

Its true and lawful Attorney (s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$1,000,000.00.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of **PHILADELPHIA INDEMNITY INSURANCE COMPANY** at a meeting duly called the 11th day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 18TH DAY OF JULY, 2011.



Christopher J. Maguire

President

Christopher J. Maguire

President Philadelphia Indemnity Insurance Company, a Pennsylvania Corporation.

On this 18TH day of July 2011, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Kimberly A. Kesaleski, Notary Public
Lower Merion Twp., Montgomery County
My Commission Expires Dec. 18, 2012
Member, Pennsylvania Association of Notaries

[Signature]
Notary Public

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of **PHILADELPHIA INDEMNITY INSURANCE COMPANY**, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 18TH day of July 2011 are true and correct and are still in full force and effect. I do further certify that Christopher J. Maguire, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of **PHILADELPHIA INDEMNITY INSURANCE COMPANY**,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 21st day of December 2015.

[Signature]

Craig P. Keller

Executive Vice President, Chief Financial Officer & Secretary

California All-Purpose Certificate of Acknowledgment

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

State of California

County of Los Angeles

S.S.

On 12/21/2015 before me, Esteban Flores, Notary Public

personally appeared James R. Olsen

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

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

WITNESS my hand and official seal.



OPTIONAL INFORMATION

Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of Bid Bond for Computer Network Support and Service, Inc.

containing 4 pages, and dated 12/21/2015

The signer(s) capacity or authority is/are as:

- ☐ Individual(s)
☐ Attorney-in-fact
☐ Corporate Officer(s)

- ☐ Guardian/Conservator
☐ Partner - Limited/General
☐ Trustee(s)
Other: _____

representing: Philadelphia Indemnity Insurance Company

Method of Signer Identification

Proved to me on the basis of satisfactory evidence:

☐ form(s) of identification ☐ credible witness(es)

Notarial event is detailed in notary journal on:

Page # _____ Entry # _____

Notary contact: _____

Other _____

☐ Additional Signer ☐ Signer(s) Thumbprints(s)



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 5A
Discussion Calendar

**Community Risk Reduction
Staffing and Workload**

Contact(s) for Further Information

Lori Smith, Assistant Chief/Fire Marshal
Community Risk Reduction Department

lorismith@ocfa.org

714.573.6016

Lori Zeller, Assistant Chief
Business Services Department

lorizeller@ocfa.org

714.573.6020

Summary

This agenda item is submitted to request approval to fund/unfreeze positions in the Community Risk Reduction Department (CRR) to enable the Department to meet workload demands and achieve established goals for turnaround times.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

At its regular January 13, 2016, meeting, the Budget and Finance Committee reviewed and recommended approval of this item. Director Sachs voted in opposition, suggesting that staff consider the feasibility of fully outsourcing plan review services.

RECOMMENDED ACTION(S)

1. Approve changes to the Master Position Control list unfreezing the Community Risk Reduction positions as described in the report.
2. Direct staff to include funding in the proposed Mid-Year FY 2015/16 Budget Review and the FY 2016/17 Proposed Budget to restore two frozen positions in the Community Risk Reduction Department, as recommended in the report.

Impact to Cities/County

Restoration of the frozen positions will enable staff to meet City needs for development projects more quickly and better facilitate approval of projects on behalf of the development community.

Fiscal Impact

The approximate annual FY 2016/17 cost to fund the Fire Prevention Analyst is estimated at \$176,225; the cost to fund the Assistant Fire Marshal is \$180,692, for a combined annual cost of \$356,917. Both positions will support fee-funded activities, and therefore, the cost will be offset by corresponding CRR fee revenues and will not impact charges to cash contract cities.

Background

Current CRR Workload Impacts

Several years ago the Board of Directors approved the classification of Fire Prevention Analyst (12 positions) in order to establish a professional plan review team that would promote efficiencies for the building community. The increase of staff came with the promise of a 10-day

turnaround for complex plans and a 5-day turnaround for simpler plans. Through the lean years the plan review staff was reduced to 8 Analysts.

The workload for the CRR Department has continuously increased over the past three years as the economy has improved and development activity has increased. Since 2012, plan submittals have increased by 35%, partly due to the addition of the City of Santa Ana. The team of eight Fire Prevention Analysts is processing approximately 500-800 plans per month. Overtime is offered every closed Friday, with an average of 18 hours per week worked. Third party contractor plan review is also utilized for less complex plan review. The team meets the 5-day goal over 90% on-time, but only meets the 10-day goal 74% on-time. The team does meet a 15-day goal 98% on-time.

The Planning and Development team has 21 staff members assigned to two Assistant Fire Marshals. Additionally five staff members are assigned to the City of Irvine under a Fire Safety Engineer. The increase and complexity of plan submittals has required an Analyst be assigned to an Assistant Fire Marshal move-up to manage the permit counter and six staff members. The span of control for adequately monitoring workload has been challenging resulting in weakened monitoring and accountability.

Request to Restore Frozen Positions

Staff is requesting approval to restore funding for one frozen Fire Prevention Analyst and one frozen Assistant Fire Marshal. Restoration of these positions will facilitate faster plan review turnaround, the return of an Analyst to plan review functions, improved time log tracking and workload, and staff accountability.

In regards to timing, staff requests to fund the Fire Prevention Analyst mid-year in FY 2015/16, with a target start date of March 1, 2016. With the Board's approval, partial year funding in the amount of \$58,195 will be included in the Mid-Year Budget Review submitted to the Board in January. The timing for the Assistant Fire Marshal is proposed for July 1, 2016, and with the Board's approval, funding in the amount of approximately \$180,692 will be included in the FY 2016/17 Proposed Budget. The ongoing costs for both positions will be included in the updated 2016 Fee Study, as further described below.

Updated Fee Study Timeline

Since completion of the 2015 Fee Study, staff has continued to research questions raised by Director Gamble in relation to time tracking of CRR personnel, as well as how costs are categorized as "direct" vs. "indirect." Much effort has been focused on improved time tracking, with the goal of improving consistency in the way each staff member documents and categorizes his/her time, as well as better identifying those activities that directly touch frontline businesses that are receiving CRR services (fee-funded activities) and those activities that are more general support of our member agencies and which are not considered to be fee-funded activities.

Staff anticipates completion of the refined time tracking by the end of January 2016, with all changes in place by January 31 for consistent measurement. The months of February and March 2016 will then be used as the go-forward measurement period, based on the new/improved time tracking. Once we have the new time tracking data for February-March, a new Fee Study will be performed in the final quarter of FY 2015/16, for Board consideration in July 2016.

Attachment(s)

None.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 5B
Discussion Calendar

**Analysis of Field Operations and Staffing for
Urban Search & Rescue/Technical Rescue Truck Operations and
Hazardous Materials Team Operations**

Contact(s) for Further Information

Brian Young, Assistant Chief
Organizational Planning Department

brianyoung@ocfa.org

714.573.6014

Dave Thomas, Assistant Chief
Operations Department

davidthomas@ocfa.org

714.573.6012

Summary

This item seeks approval of recommendations to address staffing and operational issues in the Urban Search & Rescue (US&R)/Technical Rescue Truck (TRT) program and the Hazardous Materials Response Team (HMRT) program. The proposed actions were developed by a collaborative workgroup comprised of subject matter experts, labor representatives and management to address the initiative as identified in the FY 2015/16 Domain Objectives.

- Initiative 3.1 – Establish working groups to address key operational issues, such as US&R/TRT staffing and HMRT staffing.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

At its regular January 13, 2016, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of these actions.

RECOMMENDED ACTION(S)

1. Establish 7.5% specialty compensation for Urban Search & Rescue trained Technical Rescue Truck personnel at an approximate annual cost of \$527,556.
2. Establish 2.5% specialty compensation for Hazardous Material Response Team members who have achieved Specialist Certification and have been assigned to the team for a minimum of two years at an annual cost of \$132,501.
3. Direct staff to include funding for a pro-rated share of this cost in the proposed Mid-Year FY 2015/16 Budget Review.

Impact to Cities/County

Approval of the workgroup recommendations will improve OCFA's ability to staff key specialty positions with qualified personnel and improve the longevity of personnel in these key assignments, which ultimately results in improved regional response capabilities on behalf of the citizens we serve.

Fiscal Impact

The proposed US&R/TRT specialty pay cost of \$527,556 annually will be partially offset by reduced training costs of approximately \$120,000 currently incurred to train new personnel due

to lack of retention in the program. The proposed HMRT specialty pay cost of \$132,501 annually will also be partially offset by reduced training costs of approximately \$60,000. Funding of the specialty pays will require a pro-rated mid-year budget adjustment in FY 2015/16 of approximately \$330,000.

Background

Urban Search & Rescue/Technical Rescue Truck Operations and Staffing

A workgroup comprised of labor and management began meeting in February 2015 to discuss operational and staffing issues that have been occurring in the US&R and TRT programs. These are not new issues. This is the fourth formal evaluation of the program in recent years. Comprehensive reviews took place in 2007, 2010, and 2013. The current workgroup identified the following key issues/concerns:

- Lack of consistent specialty unit availability
- Inconsistent US&R asset response
- Lack of retention in the program
- Significant reoccurring training costs for personnel new to the program
- Need for formalized skill sets as outlined in NFPA 1006 and NFPA 1670

The group discussed options for addressing these issues, and worked towards a consensus on recommendations intended to resolve their concerns. Recommendations include:

- Establish 7.5% specialty compensation for US&R trained TRT personnel
- Support a daily staffing model to guarantee resource availability
- Recognize NFPA 1006 and NFPA 1670 and train to a technician level
- US&R/TRT personnel to participate in all identified skill sets
- Reduce the number of air operations support trucks from four to two
- Establish an interview process for the Fire Captain position prior to voluntary transfer
- Update the dispatch response matrix for US&R assets
- Establish a group of fully qualified part-time US&R members to support staffing needs

Hazardous Materials Team Operations and Staffing

The Orange County Fire Department formed a HMRT in 1983. There are currently three HMRTs in the county (Anaheim, Huntington Beach, and OCFA). The HMRT was originally created to respond to industrial hazardous materials incidents. In the post 9/11 environment, the scope of the HMRT mission has evolved to include Weapons of Mass Destruction (WMD) response and Joint Hazard Assessment Team (JHAT) responses. JHAT is made up of resources from HMRT, Special Weapons and Tactics (SWAT) and the Orange County Sheriff's Department Hazardous Device Squad. Throughout the history of the HMRT, operational and staffing issues have been evaluated.

A workgroup comprised of subject matter experts, labor representatives, and management began meeting in February 2015 to discuss operational and staffing issues that have been occurring in the HMRT program. The current workgroup identified the following key issues/concerns:

- Lack of retention in the program
- Lack of trained personnel availability
- Difficulty recruiting new personnel
- Significant reoccurring training costs for personnel new to the program
- Significant workload impacts external to the HMRT program

The group discussed options for addressing these issues, and worked towards a consensus on recommendations intended to resolve the issues. Recommendations include:

- Establish 2.5% specialty compensation for HMRT members who have achieved Specialist Certification and have been assigned to the team for a minimum of two years
- Support a daily staffing model to guarantee resource availability
- Establish an interview process for the Fire Captain position prior to voluntary transfer
- Convert three positions on the HMRT to Paramedic/HazMat
- Move program oversight to Battalion 9 Chiefs
- Move HMRT from current location (UCI) to Fire Station 20 (Irvine-opening 2017)
- Create cost recovery mechanism for criminal negligence hazardous materials incidents

With implementation of these recommendations, the OCFA will be better prepared to provide the highest level of emergency, fire, rescue, and emergency medical services with daily staffing and longevity in these programs. Upon approval by the Board, these recommendations are anticipated to take effect March 2016.

Attachment(s)

None.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 5C
Discussion Calendar

**Air Operations Program Enhancements:
Staffing, Schedule, and Safety Management System**

Contact(s) for Further Information

Dave Thomas, Assistant Chief
Operations Department

davidthomas@ocfa.org

714.573.6012

David Steffen, Division Chief
Division 7

davidsteffen@ocfa.org

714.527.0537

Summary

This item is submitted to authorize the Fire Chief or his designee to execute two program enhancements to the OCFA Air Operations Helicopter Program.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

At its February 28, 2015, meeting, the Board took the following actions:

1. Approved and authorized the Fire Chief to execute modification of the current helicopter work schedule to a 24/7, three platoon schedule.
2. Approved and authorized the Fire Chief to conduct a pilot study adding one Firefighter/Paramedic post position to the Air Operations Helicopter Program on weekends for a six month trial period.
3. Approved and authorized property management to negotiate a contract for modification and construction of sleeping accommodations to existing hangar facility not to exceed \$100,000.

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

RECOMMENDED ACTION(S)

1. Approve and authorize the Fire Chief to add one Firefighter/Paramedic post position (three employees) to the Air Operations Helicopter Program at a cost of \$665,256 annually.
2. Direct staff to include funding for a pro-rated share of the annual cost in the proposed Mid-Year FY 2015/16 Budget Review.

Impact to Cities/County

This recommended action positively impacts services provided to our member agencies.

Fiscal Impact

Modification of the hangar is included in the approved FY 2015/16 budget. Funding of the Firefighter/Paramedic post position will require a pro-rated mid-year budget adjustment in FY 2015/16 of approximately \$333,000.

Background

Schedule

Following the February 28, 2015, direction of the Board, staff implemented a 24 hour/7 days per week staffing of the Helicopter Program. Data was compiled by strategic services to provide a retrospective look at the six-month period to determine if the program changes were indeed enhancements. As a result of 24-hour operations, helicopter availability more than doubled from 80 to 168 hours per week. During the 227 day period, the Helicopter Program received 201 calls for service. Of those 201 incidents, 18% or 36 additional incidents were captured that normally would have fallen outside of the prior duty schedule. This is slightly less but close to the estimated 25% of incidents missed as referenced in the earlier staff report. No calls for service were turned down due to inability to staff or lack of available aircraft. Two requests for service were turned down due to the incident not meeting the threshold necessary on the risk assessment performed by the flight crew to justify accepting the mission.

Crew Member

Staffing the helicopter with a Firefighter/Paramedic occurred on 54 weekend days during the last six months. A total of 22 patients were provided paramedic level escort while transported with the helicopter. This enhancement improved patient care, increased safety and reduced response times by eliminating the need to land and pick up a paramedic and reducing the need to pick up part-time rescuers. By providing an Advance Life Support capability to the helicopter, the OCFA has provided a better depth of service than it previously had and has become more versatile in its response coverage. More than half of the incidents that the helicopter responded to were medical in nature. All of the remote medical aids required confined space landings at unimproved landing zones. Some of the rescues required one skid insertions or the need for the rescuer to be inserted using the hoist. Several of the patients had injuries requiring that they be hoisted to the helicopter in a stokes-litter basket before being transported to the hospital. Since the Paramedic rescuer is also a firefighter, whose firefighting skills were also used on the vegetation fires that the helicopter responded to. Some examples include: target acquisition, monitoring the effectiveness of the tactics employed, fire ground communication, locating water sources to fill the aircraft, managing the landing zone, and fueling the aircraft.

Attachment(s)

None.

Air Operations Program Enhancements Update

***Orange County Fire Authority
Operations Department
January 28, 2016***



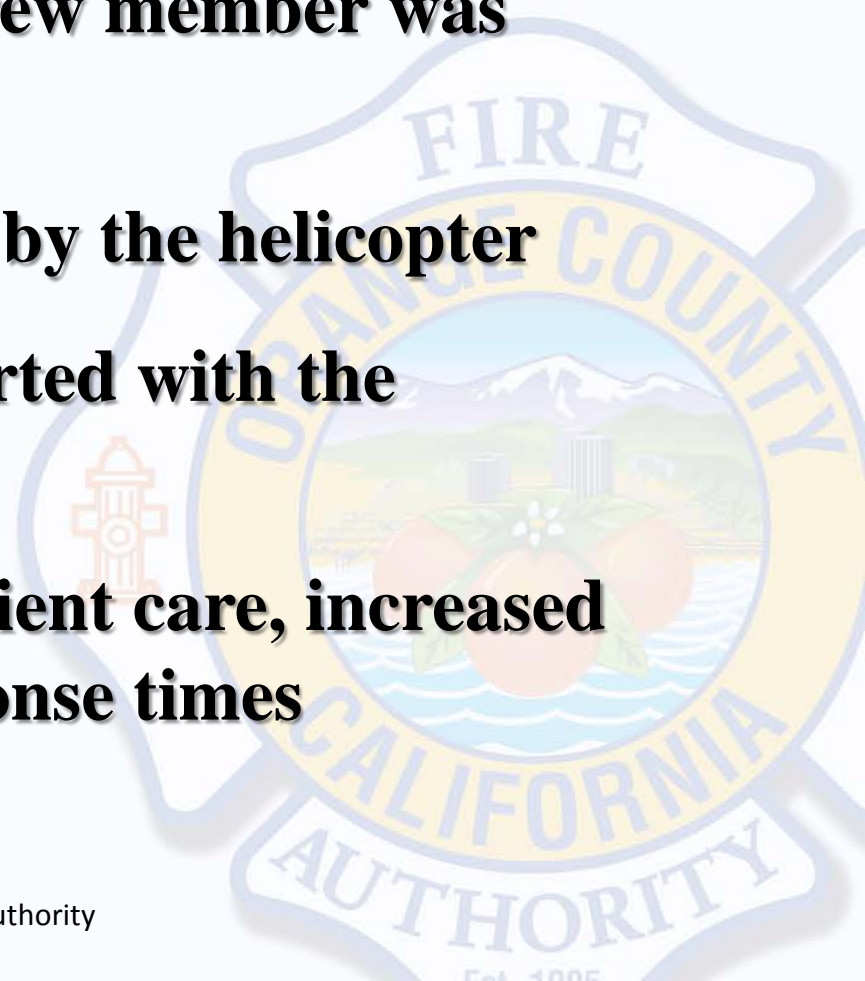
Trial Period

During the six-month trial period, the helicopter program received 201 calls for service.

- **18% (36 incidents) would have gone unanswered by the helicopter with the prior duty schedule**
- **30% (60 incidents) were vegetation fires**
- **70% (141 incidents) were rescue/medical in nature**
- **No calls for service were turned down due to inability to staff or lack of available aircraft**

Trial Period

- **Staffing the helicopter with a Firefighter/Paramedic crew member was limited to weekends**
- **18 patients were rescued by the helicopter**
- **22 patients were transported with the helicopter**
- **Outcome: Improved patient care, increased safety, and reduced response times**





Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
January 28, 2016

Agenda Item No. 5D
Discussion Calendar

FY 2015/16 Mid-Year Financial Report

Contact(s) for Further Information

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

Summary

This item is submitted to provide a mid-year financial update on the FY 2015/16 budget in accordance with the OCFA's Fiscal Health Plan.

Prior Board/Committee Action(s) – Committee Recommendation: *APPROVE*

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

RECOMMENDED ACTION(S)

1. Approve a budget adjustment in Fund 121 increasing expenditures to allocate \$12,609,380 of available unencumbered funds identified in the FY 2014/15 financial audit to OCFA's unfunded pension liability.
2. Approve a budget adjustment in Fund 121 increasing expenditures to increase the FY 2015/16 Jurisdictional Equity Adjustment Payments by \$962,809 resulting in full accrual of the payments per the Second Amendment to the Amended Joint Powers Agreement, pending resolution of the appeal.
3. Approve a budget transfer of \$204,793 from Fund 121 to Fund 12110 to provide full fund balance in Fund 12110 to accommodate all Capital Improvement Program projects.
4. Approve a modification to the Five-Year Capital Improvement Program as proposed.
5. Direct staff to return to the Board of Directors in March 2016 for approval of all additional proposed budget adjustments for the FY 2015/16 budget.

Impact to Cities/County

Annual increases for cash contract cities are estimated at 2% for FY 2016/17 and 2% for FY 2017/18 (excluding catch-up provision) based on the Five-Year Financial Forecast.

Fiscal Impact

Financial impact has been presented in the attached report.

Background

See attached extended background.

Attachment(s)

Mid-Year Financial Report

Exhibit 1 – JEAP Calculation

Exhibit 2 – Trend Graph -- Forecast to Actual comparison

Exhibit 3 – Updated Five-Year Financial Forecast

Exhibit 4 – Five-Year Financial Forecast Assumptions

Exhibit 5 – Updated Five-Year Capital Improvement Program Schedules

Background

The updated Fiscal Health Plan, approved by the Board in November 2013, calls for a comprehensive system to monitor OCFA's fiscal performance. This includes a review and comparison of forecasted revenues and expenditures against actual revenues and expenditures, as well as a mid-year budget review. The attached report reviews the current year budget, highlights any potential financial challenges to the OCFA, and previews anticipated FY 2016/17 budget issues.

FY 2015/16 Budget Review

Significant changes have occurred since the budget was adopted in May 2015, including increases to beginning fund balance, increase in property taxes, increases in both revenue and expenditures related to assistance-by-hire emergency responses, as well as all approved adjustments to-date such as re-budgets and new grant funds. These changes are detailed in the attached Mid-Year Financial Report.

FY 2014/15 Fund Balance Available

As part of the mid-year review, prior year final fund balances were also reviewed. The audited financial statements for the fiscal year ended June 30, 2015, identified approximately \$12.6 million in unencumbered fund balance. On November 19, 2015, the Board approved a payment to Orange County Employees Retirement System of this balance to continue the Expedited Pension Payment Plan.

FY 2015/16 Jurisdictional Equity Adjustment Payments (JEAP)

With the ratification of the Second Amendment to the Joint Powers Agreement (JPA), JEAPs are required for qualifying Structural Fire Fund (SFF) members. The Second Amendment to the JPA specifically provides that the City of Irvine be paid 100% of its JEAP in FY 2015/16, as well as an additional JEAP payment when Irvine's jurisdictional SFF revenue figure, net of the initial JEAP payment, exceeds that year's not-to-exceed amount, as set forth in Article IV, Section 4.B.(2). Other qualifying agencies are due 50% of their calculated payment in this year with subsequent years ratio growing until it reaches 100%.

The JEAP calculation has been performed and is attached as Exhibit 1 in the Mid-Year Financial Report. The calculation determined that total JEAP payments of \$8,810,857 are due as follows:

- City of Irvine -- \$7,764,142
- City of Laguna Woods -- \$15,903
- City of Rancho Santa Margarita -- \$281,211
- County of Orange -- \$749,600

*Please note due to rounding the total may not equal the sum of the components

A budget adjustment is necessary as the adopted budget included only an estimate of SFF revenues. As the actual revenues were received and the required Auditor-Controller reports were published, the calculation was updated. Although the financial forecast model has been updated to include these updated figures, the budget itself requires an adjustment to increase expenditures by \$962,809.

On August 7, 2014, a Superior Court judge ruled the Second Amendment to the JPA invalid. OCFA and the City of Irvine have appealed this ruling as the Second Amendment is very important to the long-term stability of the OCFA and all member agencies. Given the uncertainty of the legal outcome and based on advice from General Counsel, OCFA will be transferring JEAPs to appropriate Equity Payment holding accounts pending resolution of the appeal. Any interest accrued during the time the funds are held will be paid when the legal action has resolved.

ORANGE COUNTY FIRE AUTHORITY

Mid-Year Financial Report

January 2016

In November 2013, the Board of Directors approved the updated Fiscal Health Plan and Financial Stability Budget Policies. These documents describe the Authority's strong fiscal policies, a comprehensive system for monitoring OCFA's fiscal performance, and a framework to assure timely and appropriate response to adverse fiscal circumstances. Included in the Fiscal Health Plan is the requirement for a mid-year financial report, which is presented here for the Budget and Finance Committee's review.

ECONOMIC OUTLOOK

Property tax is OCFA's largest source of revenue; therefore this section focuses on economic factors impacting property values. The December 2015 Chapman Economic and Business Review forecast estimates a 3.7% median home price increase in Orange County in 2016. The factors influencing this estimate have not changed over the past several years; "...in spite of low mortgage rates, housing affordability has declined sharply since 2012, when home prices rebounded and income growth stagnated."

Chapman estimates that increased construction spending will continue in 2015-16, however the rate of increase will be "sharply lower than the 2013-14 period when builders responded to tight inventory and higher home prices and rushed to build." The increased spending continues to have a longer-term positive benefit for OCFA's largest revenue source, property tax, as constructed properties are sold and/or reassessed after improvements are made.

CURRENT FISCAL YEAR FINANCES

The following are estimated changes to the General Fund budget that are needed since the adoption of the FY 2015/16 budget in May 2015. Overall the currently proposed changes in the General Fund result in an estimated total revenue increase of approximately \$11.4 million and an estimated total expenditure increase of \$20.0 million when the full UAAL paydown of \$12.6 million to OCERS is included. Staff expects to return in March 2016 to request the remaining technical budget adjustments in the required areas:

FY 2015/16 Potential Revenue Adjustments

Property Taxes: Based on secured tax billings provided by the Auditor/Controller, preliminary projections indicate an approximately \$3.5 million increase over budget. **\$3,500,000**

Assistance by Hire (ABH): Assistance by Hire is the term used when OCFA responds to requests for assistance on incidents outside areas of our responsibility on a reimbursement basis. Current year activity is \$7.0 million greater than budget due to various out-of-county responses. Staff will be monitoring this source of revenue for additional reimbursements. A corresponding expenditure adjustment is also proposed to the overtime/backfill category. **\$7,000,000**

Miscellaneous: This category of revenue adjustments includes changes to facility maintenance charges for some cash contract cities to reconcile actuals to estimated budgets for the current fiscal year, as well as adjustments for the receipt of revenues from bankruptcy proceeds, donations, restitution and decreases to the expected Advanced Life Support (ALS) transport reimbursement category. **\$883,000**

FY 2015/16 Potential Expenditure Adjustments in the General Fund

Accelerated pension pay-down payment to OCERS: The FY 2014/15 annual audit identified approximately \$12.6 million of unencumbered fund balance available at the end of the fiscal year. On November 19, 2015, the Board approved a payment to the Orange County Employees Retirement System (OCERS) of this balance to continue the Expedited Pension Payment Plan. **\$12,609,380**

Jurisdictional Equity Adjustment Payments (JEAP): JEAPs are required for qualifying Structural Fire Fund (SFF) members. A budget adjustment is necessary as the adopted budget included only an estimate of SFF revenues. As the actual revenues were received and the required Auditor-Controller reports were published, the calculation was updated. Although the financial forecast model has been updated to include these updated figures, the budget itself requires an adjustment to increase expenditures by \$962,809. **\$962,809**

ABH Overtime/Backfill: As mentioned under Revenue for ABH, expenditures for ABH will also require an increase of approximately \$5.6 million related to out-of-county responses. **\$5,600,000**

Personnel related changes: **\$43,000**
Net increase

- **Community Risk Reduction Planning & Development (P&D):** As described in a separate staff report included in this agenda packet, this Section has experienced a significant increase in service demands, requiring a need to reassess the level of staffing and frozen positions. P&D continues to be impacted by increasing construction activity in Orange County. Providing service to the development community without causing delays in turnaround times and excessive overtime use will require us to unfreeze and fill two vacant positions, one Fire Prevention Analyst and one Assistant Fire Marshal. We are requesting an adjustment of approximately \$58,000 to fill the Fire Prevention Analyst in the current fiscal year. The funding for the Assistant Fire Marshall will be included in the FY 2016/17 annual budget. The estimated annual cost to fill these two positions is \$356,917.
- **US&R and Technical Rescue Programs:** A collaborative working group comprised of labor and management was formed to address key operational issues, such as staffing on the US&R and technical rescue trucks. The workgroup identified several key issues, including: lack of retention in the program, and significant recurring training costs for new personnel. The working group recommended a host of suggestions including the introduction of a 7.5% specialty pay bonus for US&R trained technical rescue personnel. We are requesting approximately \$264,000 to fund the change in the remaining portion of the fiscal year. The estimated annual cost to provide this bonus to 48 personnel is approximately \$528,000.
- **Hazardous Materials Programs:** A collaborative working group comprised of labor and management was formed to address key operational issues, such as the Hazardous Materials Programs. The workgroup identified several key issues, including: lack of retention in the program, and significant recurring training costs for new personnel. The working group recommended a host of suggestions

including an additional 2.5% specialty pay bonus for long-term team members, trained to the Specialist level. This change would increase the bonus from 7.5% and 15% to 10% and 17.5% respectively, depending on the rank of the personnel. We are requesting approximately \$66,000 to fund the change in the remaining portion of the fiscal year. The annual cost to make this change is approximately \$132,000.

- Air Operations: As described on the separate report on this agenda, in February 2015, the Board directed staff to implement a 24/7 operating schedule for the Air Operations Program. This change was initially funded with overtime to add a crew member on the weekends. This change would add one post-position (3 full-time firefighter/paramedics) to the crew on a permanent basis, and is estimated to cost approximately \$665,000 annually. We are requesting approximately \$333,000 to fund the positions for the remainder of the current fiscal year.
- Phase Two Service Enhancements: In November 2015, the Board approved the next phase of Service Delivery Enhancements. This phase included conversions of six paramedic van to twelve paramedic engines. Although no additional personnel were required to effect this change, it did expand the personnel eligible for a specialty bonus pay. The estimated annual cost for the expanded bonus pay is \$442,195. We are requesting an adjustment of approximately \$185,000 for five months of the fiscal year.
- Miscellaneous Personnel updates: The remainder of the personnel related budget adjustment requests include funding for a temporary extra help position in the Finance section, and a \$1.0 million decrease to the overall salary and employee benefits budget in Operations to recognize the salary savings from position vacancies in the current fiscal year. This number will be refined further in the next two months

BANNER System Support: Funding in the amount of \$62,500 is being requested to support the Banner financial system upgrade. This upgrade has been deferred for six years, in part because of a lack of necessary resources to implement the upgrade. This funding would support specific training, and extra help staff to develop and enhance the upgraded reporting capabilities. **\$62,500**

Professional Services: Funding in the amount of \$231,000 is requested to support the Board's direction to extend the professional labor negotiator's contract, the Special Counsel in the Irvine-Equity matter, and complete an independent analysis of our current print environment prior to replacing our existing copiers. **\$231,000**

Supplies and Equipment Replacement: Approximately \$461,000 is requested to fund the replacement of certain pieces of equipment, and additional supplies and equipment related to: El Nino preparation; hose and other equipment to equip a Type 1 and Tractor Drawn Aerial arriving in the current fiscal year; sunscreen and mounting brackets; forklift replacement; Bauer air compressor replacement; and augmentation of the Swift Water Rescue services and supplies budget. **\$461,000**

USAR Warehouse Maintenance: When the warehouse was purchased development of the FY 2015/16 budget had already been concluded; therefore, the annual maintenance and operational costs of approximately \$40,000 were not **\$40,000**

included. This funding would provide the necessary budget to fund the required property taxes, insurances, utilities and common area maintenance on the building.

General Fund / Fund Balance and Capital Improvement Program (CIP) Funds

- **Beginning Fund Balances:** As part of the annual mid-year adjustment, beginning fund balances will be adjusted in accordance with the FY 2014/15 year-end audit. These increases resulted primarily from additional revenue received in the fiscal year, as well as salary savings and S&S savings in the General Fund. The CIP beginning fund balance adjustments largely result from ongoing projects not being completed during the fiscal year which were rebudgeted to FY 2015/16.
- **Budget Transfer:** A transfer from the General Fund to Fund 12110 in the amount of \$204,793 is necessary to ensure adequate fund balance in Fund 12110 to accommodate the rebudgeted and adjustments to project schedules in the General Fund CIP.
- **Fund 12110 – General Fund CIP:** Several projects in Fund 12110 are unable to be performed in the current fiscal year. The requested adjustment will remove or transfer funding in FY 2015/16 from the following projects: Mobile Data Computer Project (P303); Network/Servers/Security (P337); Business Data Storage/Backup/Recovery (P339); and GIS Plotters/Printers/Equipment (P342). An increase to project funding for the Station Phones/Alarms (P334) is requested, as well as the introduction of a LED lighting project at the Regional Fire Operations and Training Center (RFOTC). The net impact is a reduction of expenditures of approximately \$617,000.
- **Fund 123 – Fire Stations and Facilities:** New developer contribution revenues and bankruptcy proceeds in the total amount of approximately \$1.6 million will be recognized in this fund, as well as an expenditure rebudget for Fire Station 56 (Sendero) project closeout costs. Expenditures will be increased by approximately \$52,000.
- **Fund 124 – Communications and Information Systems:** Bankruptcy proceeds in the approximate amount of \$313,000 will be recognized in this fund, as well as expenditure reductions for two projects which will not be performed in the current fiscal year: Orange County Fire Incident Reporting System (P325) and Integrated Fire Prevention (P326). Expenditures will be decreased in the amount of \$4.8 million.
- **Fund 133 – Fire Apparatus:** Bankruptcy proceeds in the approximate amount of \$192,000 will be recognized in this fund, as well as adjustments to expenditures removing or transferring funding for projects which cannot be performed in the current fiscal year, including: Purchase of Type 1 Engines 5201 and 5157, five paramedic squads which were duplicate budget entries, net of the additional amount needed to purchase the correct number of paramedic squads this year; an ambulance; four full-size cargo vans; and three pickup trucks. Transferred funding will accommodate the purchase of Truck 22, which needs an early replacement, as well as increase the budget for the compressed air foam patrol system vehicle. Expenditures will be decreased in the net amount of approximately \$363,000.

FUTURE FISCAL YEAR FINANCES

Significant factors that are anticipated to influence the FY 2016/17 budget include:

- **Prepayment of OCERS Contributions** – Staff will conduct an analysis of OCFA's cash flow position; we expect to prepay half of the employer contributions in the amount of approximately \$29 million to OCERS to take advantage of an approximately 5.8% discount.
- **Property Taxes** - Since property tax is the largest source of income for the General Fund at about 63% we have again contracted with Rosenow, Spevacek Group, Inc. (RSG) to update our property tax projections. Updated preliminary information for our FY 2016/17 budget will not be available until February 2016; therefore, in the interim we are continuing to use RSG's prior projection for FYs 2016/17 through 2019/20 of the Five-Year Financial Forecast. The Chapman Economic and Business Review forecast projected that property tax revenue will show continued, albeit slow, growth.
- **Retirement Rates** - The Orange County Employees Retirement System (OCERS) Board has adopted retirement rates for FY 2016/17. Compared to the FY 2015/16 rates, employer rates for safety employees will decrease by approximately 1.52% of pay as a result of a three year smoothing of rate increases in the safety employee category. Employer rates for general employees will decrease by approximately 3.63% of pay.

PENDING ISSUES

- **Tax & Revenue Anticipation Note (TRAN)** – As in the current fiscal year, the OCFA is anticipating the need to issue a TRAN in early FY 2016/17. The TRAN will provide for short-term cash needs until we receive our regular property tax payment from the Auditor-Controller, which typically occurs in December and April.
- **Adjudication of Appeal on Second Amendment to JPA** – Staff continues to monitor the legal process as the appeal relating to the ruling in the validation matter for the Second Amendment to the JPA continues. Given the uncertainty of the legal outcome and based on advice from OCFA General Counsel, we have elected to transfer any calculated JEAP payments to internal Equity Payment holding accounts pending resolution of the appeal. Per the JPA, the funds will accrue interest at the rate earned on the OCFA portfolio, which will be transferred to the qualifying agency upon a successful resolution of the appeals process.

MONITORING FINANCIAL HEALTH

Financial Forecast

The Fiscal Health Plan directs staff to monitor our financial indicators through frequent updates to the Authority's Five Year Financial Forecast, measuring revenues, expenditures, debt, and committed and uncommitted fund balance. These categories are forecast using all available information, Board actions, and economic conditions (Exhibits 3 and 4).

A trend report has been developed comparing the differences between the forecasted data and actual financial results and is attached to this report as Exhibit 2.

Mid-Year Review
Exhibit 1

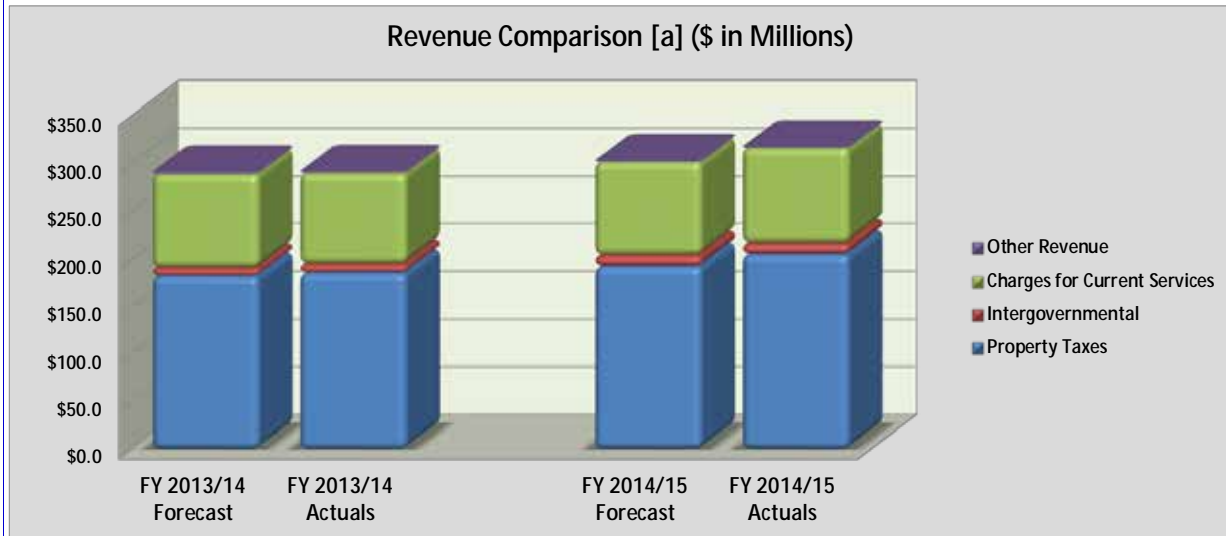
Orange County Fire Authority
FY 2015/16 Equity Calculations
December, 2015

I. Calculate Average SFF Rate								
Description	Agmt. Ref.	Source			Amount	Calculation		
Total SFF Revenue Figure	Pg. 3, Sec. 4.A.(1)	AT68AD-73 Auditor Controller Accumulation of Combined Prior Year and Current Year ATI			213,682,033	[A]		
Total AV Figure	Pg. 4, Sec. 4.A.(2)	AT04VC-74 Auditor Controller District Values Used to Set Tax Rates			184,620,567,504	[B]		
SFF Basic Levy Figure	Pg. 4, Sec. 4.A.(3)	Total AV Figure X 1%			1,846,205,675	[C] = [B] X 1%		
Average SFF Rate	Pg. 4, Sec. 4.A.(4)	SFF Revenue Figure / SFF Basic Levy Figure			11.57%	[D] = [A] / [C]		
II. Calculate Jurisdictional Equity Adjustment Payment								
City	Jurisdictional SFF Revenue Figure per Auditor-Controller AT68AD-73 Report	Jurisdictional AV Figure per Auditor-Controller AT04VC-74 Report (L&I)	Jurisdictional Basic Levy Figure	Jurisdictional SFF Rate	Over-Funded SFF Jurisdictions	Jurisdictional Equity Adjustment Payment	Additional Irvine Equity Adjustment Payment	Phase in payment due in FY 2015/16 (applicable agencies) 50%
Agreement Ref. Calculation	Pg. 5, Sec. 4.A.(5).a [E]	Pg. 5, Sec. 4.A.(5).b [F]	Pg. 5, Sec. 4.A.(5).c [G]=[F] X 1%	Pg. 5, Sec. 4.A.(5).d [H]=[E] / [G]	Pg. 5, Sec. 4.A.(6) IF [H] > [D]	Pg. 6, Sec. 4.A.(6) [I]=([H]X[G])-(D)X[G])	Pg. 8, Sec. 4.B.(3)	
Aliso Viejo	10,097,519	8,907,735,199	89,077,352	11.34%				
Cypress	4,701,843	5,284,265,325	52,842,653	8.90%				
Dana Point	11,912,343	10,360,815,009	103,608,150	11.50%				
Irvine	73,883,489	57,805,964,552	578,059,646	12.78%	11.57%	6,978,181	785,961	7,764,142
Laguna Hills	6,452,428	6,286,392,033	62,863,920	10.26%				
Laguna Niguel	14,677,182	13,992,794,133	139,927,941	10.49%				
Laguna Woods	3,064,476	2,620,217,130	26,202,171	11.70%	11.57%	31,805		15,903
Lake Forest	13,270,443	11,561,969,144	115,619,691	11.48%				
La Palma	1,483,090	1,614,926,335	16,149,263	9.18%				
Los Alamitos	1,820,245	1,832,018,899	18,320,189	9.94%				
Mission Viejo	15,688,165	14,694,052,468	146,940,525	10.68%				
Rancho Santa Margarita	9,306,628	7,554,964,211	75,549,642	12.32%	11.57%	562,422		281,211
San Juan Capistrano	6,969,386	6,060,325,707	60,603,257	11.50%				
Villa Park	1,626,437	1,592,206,694	15,922,067	10.21%				
Yorba Linda	10,439,907	11,300,828,306	113,008,283	9.24%				
County Unincorporated	28,288,451	23,145,823,493	231,458,235	12.22%	11.57%	1,499,201		749,600
Total OCFA SFF	213,682,033	184,615,298,638	1,846,152,986			9,071,609	785,961	8,810,857
III. Calculate Irvine Additional JEAP								
Fiscal Year	Growth Assumptions (Per RSG Through FY2018-19, then 4.5% Thereafter)	Projected Jurisdictional Basic Levy	Projected Irvine SFF Revenue Figure	Projected Jurisdictional Equity Adjustment Payment	SFF Revenue Figure Net of Jurisdictional Equity Adjustment Payment	NTE	Additional JEAP	Total Irvine JEAP
Agreement Ref. Calculation	[J]	[K]=Prior Year X (1+[J])	[L]=Prior Year X (1+[J])	[M]=([K]X12.78%)-([K]X11.57%)	Pg. 8, Sec. 4.B.(3) [N]=[L]-[M]	Pg. 8, Sec. 4.B.(2)	Pg. 8, Sec. 4.B.(3) IF [N]>[O], THEN [N]-[O]	
FY2013-14		491,400,860	62,818,290	5,976,162	56,842,128	61,723,118	-	5,976,162
FY2014-15		533,524,312	68,300,059	6,513,240	61,786,819	63,883,427	-	6,513,240
FY2015-16	5.11%	578,059,646	73,883,489	6,978,181	66,905,308	66,119,347	785,961	7,764,142
FY2016-17	4.93%	606,557,986	77,525,945	7,322,205	70,203,740	68,433,524	1,770,216	9,092,421
FY2017-18	4.92%	636,400,639	81,340,222	7,682,458	73,657,764	70,828,697	2,829,067	10,511,525

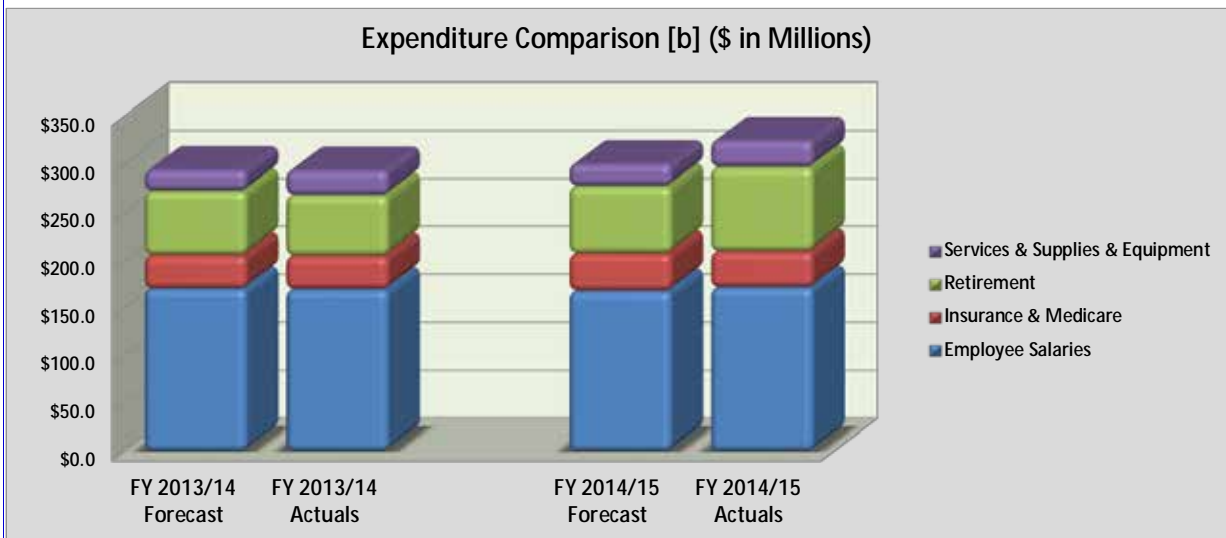
2015 Trend Analysis: Summary of 2-Year Forecast vs. Adjusted Actuals

Comparison of 2013/14 Forecast as Presented in 2012/13 Adopted Budget to 2013/14 Actuals
and

Comparison of 2014/15 Forecast as Presented in 2013/14 Adopted Budget to 2014/15 Actuals



[a] Actual revenue adjusted for one-time sources not forecasted such as assistance by hire revenue, grant revenue, and one-time revenue associated with RDA dissolutions.



[b] Actual expenditures adjusted for one-time items not forecasted such as grant expenditures. See Exhibit D - 2-Year Forecast vs. Difference between forecast and actuals in FY 2014/15 primarily due to Jurisdictional Equity Adjustment Payments and one-time UAAL paydown expenditures not projected in FY 2013/14.

	ADJUSTED FY 2015/16	PROJECTED FY 2016/17	PROJECTED FY 2017/18	PROJECTED FY 2018/19	PROJECTED FY 2019/20
A. BEGINNING FUND BALANCE	168,158,649	158,482,472	148,300,082	153,953,033	166,734,941
GENERAL FUND REVENUES					
Property Taxes	217,925,079	227,892,614	238,330,333	247,923,810	257,327,099
State Reimbursements	4,893,198	4,893,198	4,893,198	4,893,198	4,893,198
Federal Reimbursements	100,000	100,000	100,000	100,000	100,000
One-Time Grant/ABH/RDA	9,708,558	-	-	-	-
Community Redevelopment Agency Pass-thru	9,948,979	10,643,280	11,094,201	11,594,173	12,107,860
Cash Contracts	90,762,822	93,931,447	96,636,290	99,924,238	103,287,611
Community Risk Reduction Fees	6,448,604	6,448,604	6,448,604	6,448,604	6,448,604
ALS Supplies & Transport Reimbursement	3,929,330	3,929,330	3,929,330	3,929,330	3,929,330
Interest Earnings	658,828	823,625	1,171,459	1,274,726	1,289,584
Other Revenue	2,518,146	1,306,874	1,306,874	1,306,874	1,306,874
Transfers from General Fund Cashflow Fund (OCERS Pre-Pay)	-	-	-	-	-
TOTAL REVENUES	346,893,544	349,968,971	363,910,289	377,394,954	390,690,160
GENERAL FUND EXPENDITURES					
New Positions for New Stations	-	1,465,241	3,018,339	3,108,830	5,701,849
Employee Salaries	177,065,739	180,450,663	181,221,179	181,221,179	181,221,179
Retirement - Regular Annual Payments	69,622,423	69,473,003	72,921,613	71,539,304	70,664,085
Retirement - Paydown of UAAL (Rate Savings)	2,802,122	1,653,114	1,886,420	3,167,397	1,648,658
Retirement - Paydown of UAAL (Unencumb. Funds)	12,609,380	-	-	-	-
Retirement - Paydown of UAAL (\$1M per Year from WC)	-	1,000,000	1,000,000	1,000,000	1,000,000
Retirement - Paydown of UAAL (\$1M per Year, Increasing)	-	1,000,000	3,000,000	5,000,000	7,000,000
Workers' Comp Transfer out to Self-Ins. Fund	12,743,720	12,637,365	12,903,604	13,541,804	13,948,058
Other Insurance	25,477,172	27,936,027	30,543,626	33,346,107	36,406,168
Medicare	2,444,188	2,602,698	2,603,180	2,603,180	2,603,180
One-Time Grant/ABH Expenditures	6,272,884	-	-	-	-
Salaries & Employee Benefits	309,037,628	298,218,112	309,097,960	314,527,800	320,193,176
Equity Payments	8,810,857	10,739,897	12,816,234	13,942,326	14,910,182
Services & Supplies/Equipment	29,650,802	28,439,746	28,054,696	28,715,961	28,617,440
New Station/Enhancements S&S Impacts	-	73,512	147,024	147,024	265,011
One-Time Grant Expenditures	801,578	-	-	-	-
Debt Service: Interest on TRAN	318,050	-	-	-	-
TOTAL EXPENDITURES	348,618,915	337,471,267	350,115,914	357,333,111	363,985,809
NET GENERAL FUND REVENUE	(1,725,370)	12,497,704	13,794,375	20,061,842	26,704,351
B. Incremental Increase in GF 10% Contingency	-	575,616	833,500	281,013	520,358
GENERAL FUND SURPLUS / (DEFICIT)	(1,725,370)	11,922,088	12,960,874	19,780,830	26,183,993
C. Operating Transfers (from) Operating Contingency	(1,725,370)	-	-	-	-
Transfers to CIP Funds					
Transfers to CIP from General Fund Surplus	-	11,922,088	12,960,874	19,780,830	26,183,993
Total Operating Transfers to CIP	-	11,922,088	12,960,874	19,780,830	26,183,993
Capital Improvement Program/Other Fund Revenues					
Interest Earnings	1,511,303	3,329,566	4,557,161	4,803,291	5,579,562
State/Federal Reimbursement	-	-	-	-	-
Cash Contracts	1,428,656	1,471,516	1,515,662	1,561,132	1,607,966
Developer Contributions	2,967,226	-	-	1,016,577	1,744,683
Workers' Comp Transfer in from GF	12,743,720	12,637,365	12,903,604	13,541,804	13,948,058
Miscellaneous	689,602	-	-	-	-
Operating Transfers In	-	11,922,088	12,960,874	19,780,830	26,183,993
Total CIP, W/C, Other Revenues	19,340,507	29,360,535	31,937,301	40,703,634	49,064,262
Capital Improvement Program/Other Fund Expenses					
Fund 12110 - General Fund CIP	5,438,793	2,088,339	1,492,600	1,779,500	1,450,600
Fund 123 - Fire Stations and Facilities	906,077	7,610,000	6,500,000	-	-
Fund 124 - Communications & Information Systems	1,700,000	12,151,652	2,601,394	8,217,500	1,500,000
Fund 133 - Fire Apparatus	11,543,533	10,311,731	8,012,121	8,782,707	7,242,547
Sub-Total CIP Expenses	19,588,403	32,161,722	18,606,115	18,779,707	10,193,147
Fund 171 - SFF Entitlement	-	-	-	-	-
Fund 190 - WC Self-Ins. (Cashflow Payments per Actuary)	7,702,911	7,956,819	8,511,736	9,423,031	10,431,892
Total CIP, W/C, Other Expenses	27,291,314	40,118,541	27,117,851	28,202,738	20,625,039
D. CIP SURPLUS/(DEFICIT)	(7,950,807)	(10,758,006)	4,819,450	12,500,896	28,439,223
ENDING FUND BALANCE (A+B+C+D) [a]	158,482,472	148,300,082	153,953,033	166,734,941	195,694,522
Fund Balances					
Operating Contingency (10% of Expenditures)	31,732,209	32,307,826	33,141,326	33,422,339	33,942,697
Reserve for Cash Contract City Station Maintenance	691,265	691,265	691,265	691,265	691,265
Donations & Developer Contributions	4,923	4,923	4,923	4,923	4,923
Fund 171 - Structural Fire Fund Entitlement	703,960	731,928	770,208	810,556	857,424
Capital Improvement Program	51,190,492	34,349,194	32,856,845	39,215,341	61,787,728
Fund 190 - WC Self-Insurance	74,159,622	80,214,946	86,488,466	92,590,518	98,410,485
Total Fund Balances	158,482,472	148,300,082	153,953,033	166,734,941	195,694,522

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

Forecast Assumptions – Mid-Year Revised

Basic Assumptions:

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

- Updated total beginning fund balance from the FY 2014/15 audited financial statements
- All approved budget adjustments that have occurred since the adoption of the budget
- Proposed FY 2015/16 Mid-Year adjustments
- Revised 5-Year CIP plan based on input from CIP managers.

General Fund Revenues:

- ***Secured Property Taxes*** – Rosenow Spevacek Group’s Final 2015 Report provides the growth factors assumed for the forecast. The following are projections of current secured property tax growth:

FY 2016/17	4.93%
FY 2017/18	4.92%
FY 2018/19	4.31%
FY 2019/20	4.05%

Secured Property Tax for FY 2015/16 reflects a proposed mid-year increase of approximately \$3.2M based on the latest tax ledger data provided by the County Auditor-Controller.

- ***Public Utility, Unsecured, Homeowners Property Tax Relief, and Supplemental Delinquent Taxes*** – All of these categories of property taxes are projected to remain constant during the forecast period.
- ***State Reimbursements*** – State reimbursements are expected to remain constant, pending more details from CAL FIRE.
- ***Federal Reimbursements*** – This revenue is projected to remain constant.
- ***One-Time Grant/ABH/RDA Proceeds*** – These are one-time only revenues that vary significantly from year to year and therefore are not forecasted beyond the current year. Board actions to date and proposed mid-year adjustments will increase the FY 2015/16 adopted budget by \$9.7M for one-time increases in grants and assistance by hire.
- ***Community Redevelopment Agency Pass-thru Revenue*** – RSG completed a Redevelopment Area Excess Revenue Analysis of pass-thru and residual revenues from the dissolution of the redevelopment agencies dated 4/9/2015. The forecast figures come from this report.
- ***Cash Contracts*** – The forecast calculations are based on the Joint Powers Agreement and subsequent amendments and year-over-year changes are estimated between 2.38% and

2.75% per year, with a 4.5% cap. In addition, this revenue category includes estimated John Wayne Airport contract proceeds with an annual 4% increase cap, which is projected to continue through the forecast period.

- **Community Risk Reduction Fees** – Community risk reduction fees are projected to remain constant through the forecast period, pending any changes approved by the Board.
- **ALS Supplies & Transport Reimbursements** – A proposed mid-year adjustment will reduce ALS Transport Reimbursement revenue by approximately \$641K based on year to date receipts. This revenue is estimated to remain flat, pending any changes approved by the Board.
- **Interest Earnings** – Assumes an annual return of 1.25% for FY 2015/16, 2.50% for FY 2016/17, 3.50% for FY 2017/18 and 3.75% for FY 2018/19 and FY 2019/20. Interest earnings in FY 2015/16 include earnings from the reinvestment of TRAN proceeds.
- **Other Revenue** – This revenue source includes various items such as reimbursements for training and cost recovery for the firefighter handcrew.

General Fund Expenditures

- **Salaries & Employee Benefits** – S&EB is composed of the following factors:
 - ü **New Positions for New Stations** – The forecast also assumes that four positions for a Station 20 Truck will be unfrozen 1/1/2017 and that one Station 67 engine will become operational on 7/1/2019.
 - ü **Employee Salaries** – Projected salaries reflect increases consistent with the approved labor group MOUs. In addition, salary increases are not projected for the years that follow expiration of the current MOUs.
 - ü **Retirement** – Retirement costs reflect a downward trend through the forecast period due to increasing employee retirement contributions set forth in labor group MOUs and the impact of PEPRA. Retirement costs reflecting the projected employer retirement rates are based on the OCERS adopted rates for FY 2016/17 and the Projected Employer Rates prepared by Segal Consulting and provided by OCERS on 7/10/2015. FY 2016/17 rates are approximately 3.63% lower for non-safety and 1.52% lower for safety compared to FY 2015/16 rates. The FY 2016/17 rates reflect an approved 3-year phase-in of the impact of a change in economic assumptions on employer contribution rates for Safety Members (“3-Year Phase-In”).

FY	Safety	General	Source
2015/16	49.27%	36.84%	Effective rates for FY 2015/16 adopted by OCERS
2016/17	47.75%	33.20%	Effective rates for FY 2016/17 after 3-Year Phase-In adopted by OCERS
2017/18	50.60%	33.20%	Projected Employer Rates prepared by Segal Consulting dated 7/10/2015 (Actuary has not yet provided revised projections after approved 3-Year Phase-In.)
2019/20	49.50%	32.70%	
2020/21	48.80%	32.40%	

The FY 2014/15 Budget includes a mid-year adjustment of \$12.6M for accelerated paydown of OCFA's Unfunded Actuarial Accrued Liability (UAAL) from unencumbered fund balance carried over from FY 2014/15.

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

- Contributing additional funds each year using projected savings that will be realized under new Public Employees' Pension Reform Act (PEPRA) starting at \$2.8M in FY 2015/16 and continuing in different amounts until payment is complete.
- Contributing an additional \$1M each year starting in 2016/17 and increasing by \$2M each year until it reaches \$15M and continuing at \$15M thereafter
- Contributing \$1 million per year from surplus fund balance available in the Workers' Compensation Self Insurance Fund starting in FY 2016/17 for 5 years.

ü **Workers' Compensation** – FY 2015/16 assumes a 50% confidence level for ongoing Workers' Compensation costs. The 50% confidence level is assumed throughout the forecast period. Workers' Compensation costs in the forecast period are based on projected payments in the Rivelle Consulting Services January 2015 Study.

ü **Other Insurance** – Medical insurance rates for firefighters are assumed to grow annually by 9%. For staff members, it is projected to grow by 10% annually. This category also includes \$40,000 for unemployment insurance in FY 2015/16.

ü **Medicare** – Annual amounts are calculated at 1.45% of projected salaries.

- **One-Time Grant/ABH Expenditures** – These are one-time only expenditures that vary significantly from year to year and therefore are not forecasted beyond FY 2015/16.
- **Services and Supplies (S&S)** – S&S is held flat unless a new fire station is built, specific increases have been identified by section managers, or one-time grant proceeds have been received.

Net General Fund Revenue

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

Incremental Increase in General Fund 10% Contingency:

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

Equity Payments

Equity Payments for FY 2015/16 are calculated based on procedures set forth in the Second Amendment to the Joint Powers Agreement which references various reports produced by the County Auditor Controller's office. Equity payments in outer years are projected based on

property tax growth forecasts in RSG's Final 2015 Report. Pursuant to the Second Amendment to the Joint Power Agreement, if there are insufficient funds to make Irvine Equity Payments in FY 2014/15 and/or FY 2015/16, a portion of the Irvine Equity Payment may be deferred for two years. The forecast assumes no deferral of equity payments, however the payments will be accrued and held in an internal Equity Payment holding account pending resolution of the appeal of the validation ruling.

General Fund Surplus/(Deficit):

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

Capital Improvement Program/Other Funds Revenue:

- ***Interest Earnings*** – Assumes an annual return of 1.25% for FY 2015/16, 2.50% for FY 2016/17, 3.50% for FY 2017/18 and 3.75% for FY 2018/19 and FY 2019/20.
- ***State/Federal Reimbursement*** – The forecast assumes no State/Federal reimbursement revenue in the forecast period.
- ***Cash Contracts*** – The forecast calculations are based on the Joint Powers Agreement and subsequent amendments.
- ***Developer Contributions*** – The forecast assumes developer contributions will be used to fund a truck for Station 20 in FY 2015/16 and various vehicles for Rancho Mission Viejo Station 67 in FY 2018/19 and FY 2019/20.
- ***Workers' Compensation Transfer*** – These amounts equal the General Fund Workers' Compensation budget.
- ***Operating Transfer In*** – This figure equals the Operating Transfer Out from the General Fund.

Capital Improvement Program/Other Funds Expenditures:

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

- ***Structural Fire Fund Entitlement (Fund 171)*** – The forecast period assumes no Structural Fire Fund Entitlement expenditures.
- ***Self-Insurance Fund (Fund 190)*** – Self-Insurance fund expenditures are based on projected payments in the Rivelle Consulting Services January 2015 Workers' Compensation Actuarial Study.

Fund Balances:

- ***Operating Contingency*** – Reflects policy of 10% of the General Fund expenditures each year (less one-time expenditures and equity payments). General Fund deficits (if

applicable) are deducted from this category of fund balance once the Cash Flow fund balance is exhausted.

Assigned Fund Balances

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

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

Item No.	Project Priority		Project	FY 2015/16 w/rebudgets	mid-yr adjm	Internal USE only - Adj'd FY 2015/16
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GENERAL FUND CIP - FUND 12110

1	A	P332	800 MHz Radios	\$125,000		\$125,000
2	A	P330	900 MHz Pagers. Fax. Small Equipment	52,000		52,000
3	A	P334	Station Phones/Alarms/Sound	189,054	39,000	228,054
4	A	P303	Mobile Data Computer (MDC)	351,402	(123,000)	228,402
5	A	P333	VHF Radios	90,600		90,600
6	A	P339	Data Storage/Backup/Recovery	269,178	(125,000)	144,178
7	A	P337	Network Upgrade, Server Consolidation, Security	693,798	(520,239)	173,559
8	B	P331	Personal Computer (PC)/Laptops/Tablets/Printers	225,000		225,000
9	A	P401	RFOTC Phone System Upgrade	140,000		140,000
10	A	P402	Defibrillator Replacements	3,835,000		3,835,000
11	B	P342	GIS Plotters/Printers/Equipment	25,000	(25,000)	-
12	B	P403	Base Station Radios	60,000		60,000
				-		
			RFOTC LED Lights Change-out	-	137,000	137,000
			Total - Fund 12110	\$6,056,032	(\$617,239)	\$5,438,793

FIRE STATIONS & FACILITIES - FUND 123

1	A		RFOTC Emergency Electrical Circuits Extension	\$500,000		\$500,000
2	A		US&R Warehouse Improvements	354,248		354,248
			Station 56 (Ortega Valley) Project close-out exp	-	51,829	51,829
			RFOTC Building B - ECC - installation of observation windows	-		-
			Replacement of Station 10 (Yorba Linda)	-		-
			Replacement of Station 9 (Mission Viejo)	-		-
3	A		Station 20 (Irvine)	-		-
4	A		Station 67 (Rancho Mission Viejo)	-		-
			Total - Fund 123	\$854,248	\$51,829	\$906,077

Project Priority: A=Essential; B=Important; C=Could Defer

Item No.	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	5-Year TOTAL
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1	\$113,650	\$121,000	\$121,000	\$73,000	\$553,650
2	52,000	52,000	52,000	52,000	260,000
3	328,000	328,000	328,000	328,000	1,540,054
4	198,000	460,000	460,000	460,000	1,806,402
5	21,000	27,000	28,500	10,500	177,600
6	120,000	120,000	120,000	120,000	624,178
7	418,239	200,000	158,000	200,000	1,149,798
8	725,000	225,000	225,000	752,000	2,152,000
9	-	-	300,000	-	440,000
10	-	-	-	-	3,835,000
11	50,000.00	0	-	25,000	75,000
12	-	-	-	-	60,000
					0
12	-	-	-	-	137,000
	\$2,025,889	\$1,533,000	\$1,792,500	\$2,020,500	\$12,810,682

1	-	-	-	-	\$500,000
2	-	-	-	-	354,248
					51,829
	110,000	-	-	-	110,000
	7,500,000	-	-	-	7,500,000
		6,500,000			6,500,000
3	Developer Build	-	-	-	0
4	-	Developer Build	-	-	0
	\$7,610,000	6,500,000.00	-	-	\$15,016,077

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

Item No.	Project Priority		Project	FY 2015/16 w/rebudgets	mid-yr adjm	Internal USE only - Adj'd FY 2015/16
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COMMUNICATIONS & INFORMATION SYSTEMS - FUND 124

1	A	P325	PSS Incident Reporting Application Replacement	\$2,765,801	(\$2,265,801)	\$500,000
2	A	P326	PSS Integrated Fire Prevention (IFP) Replacement - CRR Automation	3,065,351	(2,565,351)	500,000
3	B	P338	RFOTC Audio Video Equipment Upgrade	700,000		700,000
4	A		HR Management/Payroll/Financial Systems Replacement	-		-
5	A		800 MHz Countywide Coordinated Communications System Replacement	-		-
6	B		Fleet Services Fuel Management Tracking System	-		-
			Mobile 911 CMD Center/DR co-location	-		-
			NextGeneration CAD2CAD	-		-
			RFOTC Data Center Suppression System	-		-
			Total - Fund 124	\$6,531,152	(\$4,831,152)	\$1,700,000

FIRE APPARATUS - FUND 133

1	A		Lease Purchase Financing: Principal & Interest	\$2,531,723		\$2,531,723
2	A/B		Emergency Vehicles	6,722,903	(65,825)	6,657,078
3	A		Developer Funded Vehicles	1,576,744		1,576,744
4	B		Support Vehicles	1,074,988	(297,000)	777,988
			Total - Fund 133	\$11,906,358	(\$362,825)	\$11,543,533

			GRAND TOTAL - ALL CIP FUNDS	\$25,347,790	(\$5,759,387)	\$19,588,403
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Project Priority: A=Essential; B=Important; C=Could Defer

Item No.	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	5-Year TOTAL
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1	\$2,415,801	-	-	-	\$2,915,801
2	2,715,351	-	-	-	3,215,351
3	300,000	-	-	-	1,000,000
4	-		5,000,000	500,000	5,500,000
5	6,270,500		3,217,500	-	9,488,000
6		601,394	-	-	601,394
		2,000,000	-	-	2,000,000
	450,000		-	-	450,000
			-	1,000,000	1,000,000
	\$12,151,652	\$2,601,394	\$8,217,500	\$1,500,000	\$26,170,546

1	\$2,531,723	\$2,531,723	\$1,265,862	-	\$8,861,031
2	7,342,480	5,165,950	6,364,136	5,397,758	30,927,402
3	-	-	1,016,577	1,774,683	4,368,004
4	437,528	314,448	136,132	70,106.00	1,736,202
	\$10,311,731	\$8,012,121	\$8,782,707	\$7,242,547	\$45,892,639
	\$32,099,272	\$18,646,515	\$18,792,707	\$10,763,047	\$99,889,944