



# ORANGE COUNTY FIRE AUTHORITY

## AGENDA

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

### EXECUTIVE COMMITTEE REGULAR MEETING Thursday, March 24, 2016 5:30 P.M.

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

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

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



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

### CALL TO ORDER

**INVOCATION** by OCFA Chaplain Bob George

**PLEDGE OF ALLEGIANCE** by Director Shawver

### ROLL CALL

**1. PRESENTATIONS**

No items.

**REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR****REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR****PUBLIC COMMENTS**

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

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

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

**2. MINUTES****A. Minutes from the February 25, 2016, Regular Executive Committee Meeting**

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

**3. CONSENT CALENDAR**

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

**A. Monthly Investment Reports**

Submitted by: Tricia Jakubiak, Treasurer

**Budget and Finance Committee's Recommendation: *APPROVE***

Recommended Action:

Receive and file the reports.

**B. Sole Source Blanket Order – Allstar Fire Equipment**

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

Recommended Action:

Approve and authorize the Purchasing Manager to establish a two-year blanket order contract with Allstar for the purchase of structural firefighting gloves in an amount not to exceed \$60,000 annually.

**C. Award of Bid JA2115 Purchase of Six Chevrolet Colorados**

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

Recommended Action:

Approve and authorize the Purchasing Manager to issue a purchase order to Lake Chevrolet in the amount of \$179,332.50 (includes tax).

**D. Award of RFP JA2088 Purchase of One Type 6 Brush Patrol Vehicle and Five Paramedic Squad Vehicles**

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

Recommended Actions:

1. Approve and authorize the Purchasing Manager to issue a purchase order to Boise Mobile Equipment Inc., for the purchase of one Type 6 Brush Patrol vehicle and five Paramedic Squad vehicles in an amount not to exceed \$1,203,215.00 (includes tax).
2. Authorize the Purchasing Manager to utilize this contract to purchase three future budgeted Paramedic Squads during FY 2016/17 upon mutual agreement of OCFA and BME with pricing escalation limited to manufacturers chassis price increases and Producer Price Index for raw goods.

**E. Sole Source Purchasing Request for Crucial Skills Suite Training Programs**

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

Recommended Actions:

1. Approve and authorize the Purchasing Manager to issue a purchase order to VitalSmarts, LLC for Crucial Skills Suite materials and certification fees in the amount of \$19,199.00.
2. Approve and authorize the Purchasing Manager to establish a fixed-price blanket order for the replenishment of these kits for three years in an amount not to exceed \$30,000.00 annually, based upon participant demand.

**END OF CONSENT CALENDAR**

**4. DISCUSSION CALENDAR**

No items.

**COMMITTEE MEMBER COMMENTS**

**CLOSED SESSION**

No items.

**ADJOURNMENT** – The next regular meeting of the Executive Committee is scheduled for Thursday, April 28, 2016, at 5:30 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 17<sup>th</sup> day of March 2016.

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

### **UPCOMING MEETINGS:**

Board of Directors Meeting	Thursday, March 24, 2016, 6:00 p.m.
Human Resources Committee Meeting	Wednesday, April 5, 2016, 12:00 noon
Budget and Finance Committee Meeting	Wednesday, April 13, 2016, 12:00 noon
Claims Settlement Committee Meeting	Thursday, April 28, 2016, 5:00 p.m.
Executive Committee Meeting	Thursday, April 28, 2016, 5:30 p.m.

# **MINUTES ORANGE COUNTY FIRE AUTHORITY**

**Executive Committee Regular Meeting  
Thursday, February 25, 2016  
5:30 P.M.**

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

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## **CALL TO ORDER**

Chair Hernandez called the regular meeting of the Orange County Fire Authority Executive Committee to order at 5:30 p.m. on February 25, 2016.

## **INVOCATION**

Assistant Chief Mike Schroeder offered the invocation.

## **PLEDGE OF ALLEGIANCE**

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

## **ROLL CALL**

**Present:** Carol Gamble, Rancho Santa Margarita  
Noel Hatch, Laguna Woods  
Gene Hernandez, Yorba Linda  
Jeffrey Lalloway, Irvine  
Jerry McCloskey, Laguna Niguel  
Al Murray, Tustin  
David Shawver, Stanton  
Elizabeth Swift, Buena Park

**Absent:** Todd Spitzer, County of Orange

## **Also present were:**

Fire Chief Bowman	Assistant Chief Dave Thomas
Assistant Chief Lori Zeller	Assistant Chief Mike Schroeder
Assistant Chief Lori Smith	Director of Communications Sandy Cooney
Assistant Chief Brian Young	General Counsel David Kendig
Clerk of the Authority Sherry Wentz	

## **1. PRESENTATIONS**

No items.

### **REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR (F: 12.02A6)**

Budget and Finance Committee Chair McCloskey reported the Committee did not meet in the month of February; therefore, there is nothing to report at this time.

### **REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR (F: 12.02A6)**

Human Resources Committee Chair Shawver reported the Committee did not meet in the month of February; therefore, there is nothing to report at this time.

### **PUBLIC COMMENTS (F: 12.02A3)**

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.

## **2. MINUTES**

### **A. Minutes from the January 28, 2016, Regular Executive Committee Meeting (F: 12.02A2)**

On motion of Vice Chair Swift and second by Director Murray, the Executive Committee voted by those present to approve the January 28, 2016, Minutes, as submitted. Director McCloskey and Director Lalloway were recorded as abstentions, due to their absence from the meeting.

## **3. CONSENT CALENDAR**

### **A. Monthly Investment Reports (F: 11.10D2)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to receive and file the reports.

### **B. Second Quarter Financial Newsletter (F: 15.07)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to receive and file the report.

**C. Blanket Order Contract Renewal General Counsel Services (F: 17.10G2)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to renew the blanket order with Woodruff Spradlin & Smart for three years at an annual cost of \$475,000, with annual increases due to usage not to exceed 3%.

**D. Blanket Order Renewals – Service Center (F: 19.09D2) (F: 19.09D)**

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

1. Approve and authorize the Purchasing Manager to renew the sole source blanket order for two additional years with L.N. Curtis and Sons for Hurst “Jaws of Life” extrication tool parts and repair for an amount not to exceed \$33,000.00 annually.
2. Approve and authorize the Purchasing Manager to renew the blanket order and extend the professional services agreement with Municipal Emergency Services, Inc. for annual self-contained breathing apparatus testing for suppression personnel.

**E. Award of Contract for Purchase of Air Cylinders – Bid RO2107 (F: 19.09D2)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to issue a purchase order to All Star Fire Equipment, Inc. for the purchase of 150 Scott 30-minute breathing air cylinders and valves in the amount of \$111,117.42.

**F. Amendment to Agreement for 6<sup>th</sup> Street Consulting (F: 19.08A2a2)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously to approve and authorize the Fire Chief to execute the proposed Third Amendment to the Professional Services Agreement for OCFA intranet support with 6<sup>th</sup> Street Consulting to extend the term of the agreement until February 28, 2017, and increase the total contract value of \$413,119 by \$24,750 for a new not to exceed total of \$437,869.

**G. Award of Contract for Urban Search and Rescue Helmets – Bid SC2081 (F: 22.05A1)**

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

1. Approve and authorize the Purchasing Manager to issue a purchase order to Atlantic Diving Supply, Inc. for the purchase of Urban Search and Rescue helmet kits (80 units) in the amount of \$34,952.26.

2. Approve and authorize the Purchasing Manager to purchase additional Urban Search and Rescue helmet kits at an amount not to exceed \$30,583.00, based on the existing bid provided that the vendor does not increase its pricing.

#### **H. Regional Fire Operations and Training Center Security Enhancements – Sergeant at Arms (F: 19.07B2)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to approve and authorize the Fire Chief or his designee to execute a Memorandum of Understanding with the Irvine Police Department to provide a Sergeant at Arms to be present at the OCFA Executive Committee and Board of Directors meetings.

#### **I. Legislative Review (F: 11.10.F1)**

On motion of Director McCloskey and second by Vice Chair Swift, the Executive Committee voted unanimously by those present to adopt support positions on SB 807 and SB 810, related to flying drones over wildfires and emergency incidents introduced by Senator Gaines (R-Roseville), and direct staff to send letters of support.

### **END OF CONSENT CALENDAR**

#### **4. DISCUSSION CALENDAR**

No items.

#### **COMMITTEE MEMBER COMMENTS (F: 12.02A4)**

Vice Chair Swift thanked Fire Station 61 for participating in the “Read Across America” event at Gilbert Elementary in Buena Park.

#### **CLOSED SESSION (F: 12.02A5)**

No items.

**ADJOURNMENT** – Chair Hernandez adjourned the meeting at 5:35 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, March 24, 2016, at 5:30 p.m.

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





Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
March 24, 2016

Agenda Item No. 3A  
Consent Calendar

**Monthly Investment Reports**

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**Contact(s) for Further Information**

Tricia Jakubiak, Treasurer Treasury & Financial Planning	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Jane Wong, Assistant Treasurer	<a href="mailto:jane Wong@ocfa.org">jane Wong@ocfa.org</a>	714.573.6305

**Summary**

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

**Prior Board/Committee Action – Committee Recommendation: *APPROVE***

At its regular March 9, 2016, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Receive and file the reports.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Attached is the final monthly investment report for the month ending January 31, 2016. A preliminary investment report as of February 19, 2016, is also provided as the most complete report that was available at the time this agenda item was prepared.

**Attachment(s)**

Final Investment Report – January 2016/Preliminary Report – February 2016

# ***Orange County Fire Authority Monthly Investment Report***



***Final Report – January 2016***

***Preliminary Report – February 2016***



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# ***Orange County Fire Authority***

## ***Final Investment Report***

***January 31, 2016***



## **EXECUTIVE SUMMARY**

### ***Portfolio Activity & Earnings***

During the month of January 2016, the size of the portfolio decreased significantly by \$31.7 million to \$176.5 million. Significant receipts for the month included various apportionments of property taxes and pass-through taxes, intergovernmental contract and grant payments, a cash contract payment and other charges for current services totaling \$14.4 million. Significant disbursements for the month included two biweekly payrolls, which were approximately \$10.0 million each with related benefits. Significant disbursements also included a payment to OCERS in the amount of \$25 million for the prepayment of the retirement cost for fiscal year 2016/17. Total January cash outflows for operating expenditures including the prepayment to OCERS amounted to approximately \$47.0 million. The portfolio's balance is expected to decrease further in the following month as there are no major receipts scheduled for February.

In January, the portfolio's yield to maturity (365-day equivalent) increased by 9 basis points to 0.58% while the effective rate of return rose by 12 basis points to 0.52% for the month and by 3 basis points to 0.38% for the fiscal year-to-date. The average maturity of the portfolio lengthened by 62 days to 227 days to maturity.

### ***Economic News***

U.S. economic activity was mixed and appeared to pull back slightly in January 2016. Employment conditions were weaker with only 151,000 new jobs created for the month while a higher number had been expected. The unemployment rate, on the other hand, improved declining to 4.9% from 5.0% previously. Retail sales increased modestly in January despite mixed consumer confidence and volatile stock markets. Manufacturing activity improved slightly while the non-manufacturing activity decreased in January. The CPI (Consumer Price Index) remained unchanged and oil prices remained low. Housing activity was mixed in January. Existing home sales increased; however, new home sales dropped more than expected for the month. As the markets throughout the world continue to react to volatile and low oil prices and their effects on the respective economies, recent expectations are that the Fed will likely pause and keep interest rates on hold for now. Talks of a possible recession have also been noted by some economists.

**BENCHMARK COMPARISON AS OF JANUARY 31, 2016**

3 Month T-Bill: 0.26%

1 Year T-Bill: 0.54%

6 Month T-Bill: 0.43%

LAIF: 0.45%

OCFA Portfolio: 0.52%

**PORTFOLIO SIZE, YIELD, & DURATION**

	<u><i>Current Month</i></u>	<u><i>Prior Month</i></u>	<u><i>Prior Year</i></u>
<i>Book Value-</i>	\$176,489,384	\$208,214,408	\$170,300,354
<i>Yield to Maturity (365 day)</i>	0.58%	0.49%	0.27%
<i>Effective Rate of Return</i>	0.52%	0.40%	0.24%
<i>Days to Maturity</i>	227	165	148



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**January 31, 2016**

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

(See Note 1 on page 9)

(See Note 2 on page 9)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	7,138,134.05	7,138,134.05	7,138,134.05	4.05	1	1	0.001	0.001
Federal Agency Coupon Securities	38,000,000.00	38,024,270.00	37,983,756.73	21.57	1,020	861	1.097	1.112
Federal Agency Disc. -Amortizing	71,000,000.00	70,938,890.00	70,924,498.75	40.27	131	81	0.436	0.442
Treasury Coupon Securities	10,000,000.00	10,041,900.00	10,039,829.23	5.70	195	150	0.523	0.530
Local Agency Investment Funds	50,046,284.49	50,005,595.01	50,046,284.49	28.41	1	1	0.440	0.446
<b>Investments</b>	<b>176,184,418.54</b>	<b>176,148,789.06</b>	<b>176,132,503.25</b>	<b>100.00%</b>	<b>284</b>	<b>227</b>	<b>0.567</b>	<b>0.575</b>

**Cash and Accrued Interest**

Passbook/Checking (not included in yield calculations)	367,983.15	367,983.15	367,983.15		1	1	0.000	0.000
Accrued Interest at Purchase		8,333.33	8,333.33					
Subtotal		376,316.48	376,316.48					
<b>Total Cash and Investments</b>	<b>176,552,401.69</b>	<b>176,525,105.54</b>	<b>176,508,819.73</b>		<b>284</b>	<b>227</b>	<b>0.567</b>	<b>0.575</b>

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	85,438.02	372,659.52
Average Daily Balance	194,588,034.29	168,653,594.58
Effective Rate of Return	0.52%	0.38%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2015. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

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

Book Value of Cash & Investments before GASB 31 (Above)

\$ 176,508,819.73

GASB 31 Adjustment to Books (See Note 3 on page 9)

\$ (19,436.11)

Total

\$ 176,489,383.62

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	High Mark 100% US Treasury MMF			7,138,134.05	7,138,134.05	7,138,134.05	0.001	0.001	1	
		<b>Subtotal and Average</b>	<b>9,107,484.52</b>		<b>7,138,134.05</b>	<b>7,138,134.05</b>	<b>7,138,134.05</b>		<b>0.001</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>											
3133EEA75	861	Federal Farm Credit Bank		04/23/2015	9,000,000.00	9,000,450.00	9,000,000.00	0.990	0.998	721	01/22/2018
3133EFJP3	869	Federal Farm Credit Bank(Callable anytime)		10/15/2015	10,000,000.00	10,000,000.00	10,000,000.00	1.100	1.054	987	10/15/2018
3134G7FK2	863	Fed Home Loan Mtg Corp		06/30/2015	9,000,000.00	9,023,220.00	9,000,000.00	1.100	1.065	781	03/23/2018
3134G84A4	878	Fed Home Loan Mtg Corp(Callable 2-24-16)		12/18/2015	10,000,000.00	10,000,600.00	9,983,756.73	1.250	1.315	935	08/24/2018
		<b>Subtotal and Average</b>	<b>37,983,950.11</b>		<b>38,000,000.00</b>	<b>38,024,270.00</b>	<b>37,983,756.73</b>		<b>1.112</b>	<b>861</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313396WM1	880	Freddie Mac		12/18/2015	9,000,000.00	8,990,460.00	8,988,125.00	0.500	0.515	95	05/06/2016
313396XB4	881	Freddie Mac		12/18/2015	9,000,000.00	8,989,020.00	8,986,102.50	0.510	0.525	109	05/20/2016
313396XR9	882	Freddie Mac		12/18/2015	9,000,000.00	8,987,400.00	8,984,010.00	0.520	0.536	123	06/03/2016
313396YF4	883	Freddie Mac		12/18/2015	9,000,000.00	8,985,960.00	8,982,018.75	0.525	0.541	137	06/17/2016
313384SZ3	874	Fed Home Loan Bank		12/03/2015	9,000,000.00	8,999,280.00	8,999,257.50	0.270	0.278	11	02/12/2016
313384US6	875	Fed Home Loan Bank		12/03/2015	9,000,000.00	8,996,130.00	8,995,905.00	0.315	0.324	52	03/24/2016
313384UD9	876	Fed Home Loan Bank		12/08/2015	9,000,000.00	8,997,120.00	8,996,100.00	0.400	0.412	39	03/11/2016
313384VX4	879	Fed Home Loan Bank		12/18/2015	8,000,000.00	7,993,520.00	7,992,980.00	0.390	0.401	81	04/22/2016
		<b>Subtotal and Average</b>	<b>87,427,405.69</b>		<b>71,000,000.00</b>	<b>70,938,890.00</b>	<b>70,924,498.75</b>		<b>0.442</b>	<b>81</b>	
<b>Treasury Coupon Securities</b>											
912828QR4	877	Treasury Note		12/18/2015	10,000,000.00	10,041,900.00	10,039,829.23	1.500	0.530	150	06/30/2016
		<b>Subtotal and Average</b>	<b>10,043,812.15</b>		<b>10,000,000.00</b>	<b>10,041,900.00</b>	<b>10,039,829.23</b>		<b>0.530</b>	<b>150</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			50,046,284.49	50,005,595.01	50,046,284.49	0.446	0.446	1	
		<b>Subtotal and Average</b>	<b>50,025,381.82</b>		<b>50,046,284.49</b>	<b>50,005,595.01</b>	<b>50,046,284.49</b>		<b>0.446</b>	<b>1</b>	
		<b>Total and Average</b>	<b>194,588,034.29</b>		<b>176,184,418.54</b>	<b>176,148,789.06</b>	<b>176,132,503.25</b>		<b>0.576</b>	<b>227</b>	



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**January 31, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10033	10033	Revolving Fund		07/01/2015	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2015	347,983.15	347,983.15	347,983.15		0.000	1
<b>Average Balance</b>			<b>0.00</b>	Accrued Interest at Purchase		<b>8,333.33</b>	<b>8,333.33</b>			<b>1</b>
				Subtotal		<b>376,316.48</b>	<b>376,316.48</b>			
<b>Total Cash and Investments</b>			<b>194,588,034.29</b>		<b>176,552,401.69</b>	<b>176,525,105.54</b>	<b>176,508,819.73</b>		<b>0.575</b>	<b>227</b>

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**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of February 1, 2016**

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

					Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	( 02/01/2016 - 02/01/2016 )	4 Maturities	0 Payments	57,552,401.69	32.61%	57,552,401.69	57,511,712.21
Aging Interval:	1 - 30 days	( 02/02/2016 - 03/02/2016 )	1 Maturities	0 Payments	9,000,000.00	5.10%	8,999,257.50	8,999,280.00
Aging Interval:	31 - 60 days	( 03/03/2016 - 04/01/2016 )	2 Maturities	0 Payments	18,000,000.00	10.19%	17,992,005.00	17,993,250.00
Aging Interval:	61 - 91 days	( 04/02/2016 - 05/02/2016 )	1 Maturities	0 Payments	8,000,000.00	4.53%	7,992,980.00	7,993,520.00
Aging Interval:	92 - 121 days	( 05/03/2016 - 06/01/2016 )	2 Maturities	0 Payments	18,000,000.00	10.18%	17,974,227.50	17,979,480.00
Aging Interval:	122 - 152 days	( 06/02/2016 - 07/02/2016 )	3 Maturities	0 Payments	28,000,000.00	15.87%	28,005,857.98	28,015,260.00
Aging Interval:	153 - 183 days	( 07/03/2016 - 08/02/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	184 - 274 days	( 08/03/2016 - 11/01/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	( 11/02/2016 - 01/31/2017 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	( 02/01/2017 - 01/31/2019 )	4 Maturities	0 Payments	38,000,000.00	21.52%	37,983,756.73	38,024,270.00
Aging Interval:	1096 days and after	( 02/01/2019 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for			17 Investments	0 Payments		100.00	176,500,486.40	176,516,772.21



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2015 includes an increase of \$18,799 to the LAIF investment and a decrease of (\$38,235) to the remaining investments.
- Note 4: The Highmark money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.



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

As of January 31, 2016, OCFA has \$50,046,284 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of December 31, 2015 is 0.999186963. When applied to OCFA's LAIF investment, the fair value is \$50,005,595 or \$40,689 below cost. Although the fair value of the LAIF investment is lower than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at January 31, 2016 is included on the following page.



<b>Fair Value Including Accrued Interest</b>	<b>\$</b>	<b>65,379,639,641.79</b>
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Page 11



***Orange County Fire Authority***

***Preliminary Investment Report***

***February 19, 2016***



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**February 19, 2016**

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

(See Note 1 on page 18)

(See Note 2 on page 18)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	8,021,236.43	8,021,236.43	8,021,236.43	4.77	1	1	0.001	0.001
Federal Agency Coupon Securities	38,000,000.00	38,001,120.00	37,984,091.10	22.61	1,020	842	1.097	1.112
Federal Agency Disc. -Amortizing	62,000,000.00	61,958,050.00	61,940,045.42	36.86	140	72	0.460	0.466
Treasury Coupon Securities	10,000,000.00	10,037,600.00	10,034,784.19	5.97	195	131	0.523	0.530
Local Agency Investment Funds	50,046,284.49	50,005,595.01	50,046,284.49	29.78	1	1	0.440	0.446
<b>Investments</b>	<b>168,067,520.92</b>	<b>168,023,601.44</b>	<b>168,026,441.63</b>	<b>100.00%</b>	<b>294</b>	<b>225</b>	<b>0.580</b>	<b>0.588</b>
<b>Cash and Accrued Interest</b>								
Passbook/Checking (not included in yield calculations)	1,388,422.41	1,388,422.41	1,388,422.41		1	1	0.000	0.000
Accrued Interest at Purchase		8,333.33	8,333.33					
Subtotal		1,396,755.74	1,396,755.74					
<b>Total Cash and Investments</b>	<b>169,455,943.33</b>	<b>169,420,357.18</b>	<b>169,423,197.37</b>		<b>294</b>	<b>225</b>	<b>0.580</b>	<b>0.588</b>

Total Earnings	February 19 Month Ending	Fiscal Year To Date
Current Year	52,618.34	425,277.86
Average Daily Balance	172,972,325.37	169,004,260.76
Effective Rate of Return	0.58%	0.39%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2015. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

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

Book Value of Cash & Investments before GASB 31 (Above)

\$ 169,423,197.37

GASB 31 Adjustment to Books (See Note 3 on page 18)

\$ (19,436.11)

Total

\$ 169,403,761.26



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**February 19, 2016**

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	High Mark 100% US Treasury MMF			8,021,236.43	8,021,236.43	8,021,236.43	0.001	0.001	1	
		<b>Subtotal and Average</b>	<b>7,761,570.38</b>		<b>8,021,236.43</b>	<b>8,021,236.43</b>	<b>8,021,236.43</b>		<b>0.001</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>											
3133EEA75	861	Federal Farm Credit Bank		04/23/2015	9,000,000.00	9,000,360.00	9,000,000.00	0.990	0.998	702	01/22/2018
3133EFJP3	869	Federal Farm Credit Bank(Callable anytime)		10/15/2015	10,000,000.00	9,973,300.00	10,000,000.00	1.100	1.054	968	10/15/2018
3134G7FK2	863	Fed Home Loan Mtg Corp		06/30/2015	9,000,000.00	9,027,360.00	9,000,000.00	1.100	1.065	762	03/23/2018
3134G84A4	878	Fed Home Loan Mtg Corp (Callable 2-24-16)		12/18/2015	10,000,000.00	10,000,100.00	9,984,091.10	1.250	1.315	916	08/24/2018
		<b>Subtotal and Average</b>	<b>37,983,932.71</b>		<b>38,000,000.00</b>	<b>38,001,120.00</b>	<b>37,984,091.10</b>		<b>1.112</b>	<b>842</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313396WM1	880	Freddie Mac		12/18/2015	9,000,000.00	8,993,520.00	8,990,500.00	0.500	0.515	76	05/06/2016
313396XB4	881	Freddie Mac		12/18/2015	9,000,000.00	8,992,260.00	8,988,525.00	0.510	0.525	90	05/20/2016
313396XR9	882	Freddie Mac		12/18/2015	9,000,000.00	8,990,730.00	8,986,480.00	0.520	0.536	104	06/03/2016
313396YF4	883	Freddie Mac		12/18/2015	9,000,000.00	8,989,380.00	8,984,512.50	0.525	0.541	118	06/17/2016
313384US6	875	Fed Home Loan Bank		12/03/2015	9,000,000.00	8,997,750.00	8,997,401.25	0.315	0.324	33	03/24/2016
313384UD9	876	Fed Home Loan Bank		12/08/2015	9,000,000.00	8,998,650.00	8,998,000.00	0.400	0.412	20	03/11/2016
313384VX4	879	Fed Home Loan Bank		12/18/2015	8,000,000.00	7,995,760.00	7,994,626.67	0.390	0.401	62	04/22/2016
		<b>Subtotal and Average</b>	<b>67,143,363.84</b>		<b>62,000,000.00</b>	<b>61,958,050.00</b>	<b>61,940,045.42</b>		<b>0.466</b>	<b>72</b>	
<b>Treasury Coupon Securities</b>											
912828QR4	877	Treasury Note		12/18/2015	10,000,000.00	10,037,600.00	10,034,784.19	1.500	0.530	131	06/30/2016
		<b>Subtotal and Average</b>	<b>10,037,173.95</b>		<b>10,000,000.00</b>	<b>10,037,600.00</b>	<b>10,034,784.19</b>		<b>0.530</b>	<b>131</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			50,046,284.49	50,005,595.01	50,046,284.49	0.446	0.446	1	
		<b>Subtotal and Average</b>	<b>50,046,284.49</b>		<b>50,046,284.49</b>	<b>50,005,595.01</b>	<b>50,046,284.49</b>		<b>0.446</b>	<b>1</b>	
		<b>Total and Average</b>	<b>172,972,325.37</b>		<b>168,067,520.92</b>	<b>168,023,601.44</b>	<b>168,026,441.63</b>		<b>0.588</b>	<b>225</b>	

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**February 19, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10033	10033	Revolving Fund		07/01/2015	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2015	1,368,422.41	1,368,422.41	1,368,422.41		0.000	1
<b>Average Balance</b>			<b>0.00</b>	Accrued Interest at Purchase		8,333.33	8,333.33			1
				Subtotal		1,396,755.74	1,396,755.74			
<b>Total Cash and Investments</b>			<b>172,972,325.37</b>		<b>169,455,943.33</b>	<b>169,420,357.18</b>	<b>169,423,197.37</b>		<b>0.588</b>	<b>225</b>

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**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of February 20, 2016**

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

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval: 0 days	( 02/20/2016 - 02/20/2016 )	4 Maturities	0 Payments	59,455,943.33	35.09%	59,455,943.33	59,415,253.85
Aging Interval: 1 - 30 days	( 02/21/2016 - 03/21/2016 )	1 Maturities	0 Payments	9,000,000.00	5.31%	8,998,000.00	8,998,650.00
Aging Interval: 31 - 60 days	( 03/22/2016 - 04/20/2016 )	1 Maturities	0 Payments	9,000,000.00	5.31%	8,997,401.25	8,997,750.00
Aging Interval: 61 - 91 days	( 04/21/2016 - 05/21/2016 )	3 Maturities	0 Payments	26,000,000.00	15.33%	25,973,851.67	25,981,540.00
Aging Interval: 92 - 121 days	( 05/22/2016 - 06/20/2016 )	2 Maturities	0 Payments	18,000,000.00	10.61%	17,970,992.50	17,980,110.00
Aging Interval: 122 - 152 days	( 06/21/2016 - 07/21/2016 )	1 Maturities	0 Payments	10,000,000.00	5.92%	10,034,784.19	10,037,600.00
Aging Interval: 153 - 183 days	( 07/22/2016 - 08/21/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 184 - 274 days	( 08/22/2016 - 11/20/2016 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 275 - 365 days	( 11/21/2016 - 02/19/2017 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 366 - 1095 days	( 02/20/2017 - 02/19/2019 )	4 Maturities	0 Payments	38,000,000.00	22.42%	37,984,091.10	38,001,120.00
Aging Interval: 1096 days and after	( 02/20/2019 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for		16 Investments	0 Payments		100.00	169,414,864.04	169,412,023.85



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2015 includes an increase of \$18,799 to the LAIF investment and a decrease of (\$38,235) to the remaining investments.
- Note 4: The Highmark money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.

## GLOSSARY

### INVESTMENT TERMS

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

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

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

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

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

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

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

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

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

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

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

**Local Agency Investment Fund (LAIF).** A California State Treasury fund which local agencies may use to deposit funds for investment and for reinvestment with a maximum of \$50 million for any agency (*excluding bond funds, which have no maximum*). It offers high liquidity because

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

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

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

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

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

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

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

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

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

**Yield.** Rate of return on a bond.

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

### ECONOMIC TERMS

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

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

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

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

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

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

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

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

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

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

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





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

**Executive Committee Meeting**  
**March 24, 2016**

**Agenda Item No. 3B**  
**Consent Calendar**

**Sole Source Blanket Order – Allstar Fire Equipment**

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**Contact(s) for Further Information**

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

**Summary**

This agenda item seeks approval to issue a sole source blanket order with Allstar Fire Equipment (Allstar) for the purchase of structural firefighting gloves, as-needed, for a not to exceed amount of \$60,000 annually.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Manager to establish a two-year blanket order contract with Allstar for the purchase of structural firefighting gloves in an amount not to exceed \$60,000 annually.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the approved FY 2015/16 budget.

**Background**

The Service Center is responsible for the purchase of structural firefighting gloves for OCFA's fire suppression personnel. At the request of the Equipment Project Team, a focus group was created to evaluate OCFA's current structural firefighting glove, the Techtrade Pro-Tech 8, versus available structure gloves on the market today. Fire Captain and Academy 41 & 42 Instructor, Danny Kamakani, with assistance from Service Center staff, was tasked with developing the minimum specifications and testing criteria to be used for the evaluation of structure gloves.

***Request for Information and Samples***

On July 24, 2015, purchasing staff issued Request for Information (RFI) JA2059 requesting vendors interested in participating in the wear testing evaluation submit five large and five extra-large samples of commercially available structural firefighting gloves meeting the minimum specifications listed in the RFI. The due date to submit glove samples was August 12, 2015. Six vendors submitted a total of twelve different structural firefighting glove samples within the required time. One vendor, Jaeco Fire & Safety, submitted its samples after the due date and its

gloves were returned without further consideration. Of the twelve structure glove samples submitted, seven different manufacturers' gloves were represented.

#### ***Academy 41 Wear-testing and Evaluation***

The designated test group consisted of six Academy 41 instructors who wore the sample gloves throughout the course of Academy 41, from mid-August through December 2015. Gloves were tested and evaluated during approximately 25 live fire training days. The various training scenarios included instructors who were teaching, building and maintaining fire cribs, and instructors who were operating as interior safety officers and simulated live victims. Drills included interior structural fire attacks, exterior fire attacks (dumpsters, cars, exterior rubbish piles, etc.) vertical ventilation (roof operations), horizontal ventilation, victim search, thermal imaging, civilian rescue, firefighter rescue, firefighter survival and self-rescue, forcible entry, and forcible exiting. During the various training scenarios, the gloves were evaluated based on criteria that included the fit and function of the glove as it related to safety, performance, comfort, durability, dexterity, protection, and wearability. Upon completion of the wear testing evaluation, the results of the ratings submitted by the test group found the highest scoring and number one ranked glove to be the Lion Commander Ace structure glove offered by Allstar Fire Equipment. The Lion Commander Ace structure glove is currently used by various fire departments in Riverside County, Palm Beach County, the Tampa Fire Department, the Lodi Fire Department, and the New York Fire Department.

#### ***Results & Negotiations***

Allstar Fire Equipment, Inc. is the only dealer authorized to sell Lion's Protective Glove line in the State of California as verified in a sole source letter received from Lion, the manufacturer. In addition, the Lion Commander Ace is the direct complement to OCFA's current Lion Turnout gear. Staff is requesting a two-year contract in an effort to co-term the structure glove contract with the turnout contract.

Initially the intent was to issue a bid after the testing was done and to then award a contract for the glove purchases. Based on the results of the evaluation and testing, and the evaluation team's recommendation of the Lion Commander Ace glove, and the fact that Allstar Fire Equipment is the sole distributor of the selected gloves, staff requested pricing from Allstar Fire Equipment. The initial unit price offered was \$84 per pair. Purchasing staff negotiated a final per unit price of \$72 per pair. Pricing is exclusive to OCFA and represents a savings of \$12 per pair. Allstar has agreed to hold this contract price through December 31, 2016. Price increases after the initial contract term will be subject to the manufacturer's annual price increase, but shall not exceed 5%.

#### ***Recommendation***

The Service Center is responsible for maintaining a minimum level of inventory with an average of 750 pairs of gloves purchased annually for new hires and as-needed replacement gloves for personnel. Staff is recommending approval of a sole source blanket order contract with Allstar for the purchase of Lion Commander Ace structural firefighting gloves up to two years for a not-to-exceed amount of \$60,000 annually.

#### ***Attachment(s)***

RFI JA2059 Wear Test Evaluation Analysis

**Orange County Fire Authority  
JA2059 – Structural Firefighting Glove Samples  
Wear Test Evaluation Scoring Summary**

**Evaluators Overall Glove Ranking 1 through 12**

	<b>Evaluator 1</b>	<b>Evaluator 2</b>	<b>Evaluator 3</b>	<b>Evaluator 4</b>	<b>Evaluator 5</b>	<b>Evaluator 6</b>	<b>Total Sum</b>	<b>Glove Ranking</b>
<b>Lion Commander Ace LPG928BK</b>	2	1	1	1	2	1	8	<b>1</b>
<b>Lion Commander Black/Gold LPG927BG</b>	9	2	2	2	1	5	21	<b>2</b>
<b>Dragon Fire Alpha X</b>	3	3	7	3	4	10	30	<b>3</b>
<b>Shelby Specialty Gloves FDP 5282</b>	4	6	4	10	5	2	31	<b>4</b>
<b>Shelby Specialty Gloves FDP 5280G</b>	5	4	3	5	11	6	34	<b>5</b>
<b>Shelby Specialty Gloves 5283</b>	6	4	10	6	8	4	38	<b>6</b>
<b>Fire Craft Safety Products Phoenix FC- P5000</b>	1	11	11	7	6	3	39	<b>7</b>
<b>Fire Dex Pro G2L</b>	8	12	5	8	3	6	42	<b>8</b>
<b>Shelby Specialty Gloves 5285</b>	10	9	9	4	6	6	44	<b>9</b>
<b>Techtrade Pro-Tech 9 Titan PT-8 TN SC</b>	11	7	5	12	11	9	55	<b>10</b>
<b>Techtrade Pro-Tech 9 Evolution PT9-EVO SC</b>	12	8	7	10	9	10	56	<b>11</b>
<b>Honeywell Firewear Gauntlet GL-7550</b>	7	9	12	9	10	10	57	<b>12</b>



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
March 24, 2016

Agenda Item No. 3C  
Consent Calendar

**Award of Bid JA2115  
Purchase of Six Chevrolet Colorados**

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**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief Support Services Department	<a href="mailto:michaelschroeder@ocfa.org">michaelschroeder@ocfa.org</a>	714.573.6008
Rick Oborny, Fleet Services Manager	<a href="mailto:rickoborny@ocfa.org">rickoborny@ocfa.org</a>	714.573.6651

**Summary**

This agenda item is submitted for the approval of a bid award to purchase six 2016 Chevrolet Colorados from Lake Chevrolet (Lake Elsinore), the lowest responsive bidder.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Manager to issue a purchase order to Lake Chevrolet in the amount of \$179,332.50 (includes tax).

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the FY 2015/16 Vehicle Replacement Fund (133) budget.

**Background**

Each year, the Fleet Services Manager reviews the vehicles identified for replacement in the OCFA's vehicle replacement plan. This evaluation considers the vehicle's current age, mileage, and repair history. Based on the review, four mid-size 4x4 pickup trucks utilized by Safety Training and two mid-size 2x2 pickup trucks utilized by Community Risk Reduction were approved for replacement. Funding is included in the FY 2015/16 budget.

On February 5, 2016, invitation for bid (IFB) number JA2115 was issued. In an effort to encourage increased participation from local Chevrolet dealerships, purchasing staff contacted the seven Chevrolet dealerships located within Orange County to inform them of the bid opportunity. On February 25, 2016, the bid due date, six bids were received. Of the six bids submitted, only one bidder was located within Orange County. Lake Chevrolet was the lowest responsive responsible bidder; therefore, staff is recommending the award to Lake Chevrolet for the purchase of the six 2016 Chevrolet Colorados.

**Attachment(s)**

Vehicle Replacement Schedule & Bid Results

**Orange County Fire Authority  
Vehicle Replacement Schedule and Bid Results**

**Vehicles Scheduled for Replacement:**

The four mid-size 4x4 units that are scheduled for replacement are:

- |  |               |
|--|---------------|
| 1. Unit #2167 2007 Chevrolet Trailblazer | 174,000 miles |
| 2. Unit #2168 2007 Chevrolet Trailblazer | 150,000 miles |
| 3. Unit #2169 2007 Chevrolet Trailblazer | 135,200 miles |
| 4. Unit #2170 2007 Chevrolet Trailblazer | 142,800 miles |

The two mid-size 2x2 units that are scheduled for replacement are:

- |   |               |
|---|---------------|
| 5. Unit #2263 2003 Chevrolet S10 Blazer | 135,168 miles |
| 6. Unit #2176 2005 Chevrolet S10 Blazer | 108,000 miles |

The lower mileage units will be rolled into the relief pool fleet and older high-mileage units will be sold through auction.

**Bid Results:**

Description	Qty	Lake Chevrolet		Penske Chevrolet		George Chevrolet	
		Unit Price	Bid Total	Unit Price	Bid Total	Unit Price	Bid Total
2016 Chevrolet Colorado 4wd Crew Cab w/ 5' bed	4	\$29,470.00	\$117,880.00	\$31,283.81	\$125,135.24	\$31,245.20	\$124,980.80
2016 Chevrolet Colorado 2wd Extended Cab w/ 6' bed	2	\$23,820.00	\$47,640.00	\$24,105.36	\$48,210.72	\$24,184.75	\$48,369.50
Documentation Fees per Vehicle	6	\$80.00	\$480.00	\$80.00	\$480.00	\$80.00	\$480.00
CA Tire Fees (per tire costs) non-taxable	30	\$1.75	\$52.50	\$1.75	\$52.50	\$1.75	\$52.50
Sales Tax (8%)			\$13,280.00		\$13,906.06		\$10,024.08
Total			<b>\$179,332.50</b>		<b>\$187,784.52</b>		<b>\$187,789.24</b>

Description	Qty	Winner Chevrolet		Simpson Chevrolet		Reynolds Buick	
		Unit Price	Bid Total	Unit Price	Bid Total	Unit Price	Bid Total
2016 Chevrolet Colorado 4wd Crew Cab w/ 5' bed	4	\$31,535.00	\$126,140.00	\$32,508.09	\$130,032.36	\$35,750.00	\$143,000.00
2016 Chevrolet Colorado 2wd Extended Cab w/ 6' bed	2	\$24,929.00	\$49,858.00	\$24,526.77	\$49,053.54	\$26,418.37	\$52,836.74
Documentation Fees per Vehicle	6	\$80.00	\$480.00	\$109.00	\$654.00	\$0.00	\$0.00
CA Tire Fees (per tire costs) non-taxable	30	\$1.75	\$52.50	\$1.75	\$52.50	\$1.75	\$52.50
Sales Tax (8%)			\$14,118.24		\$16,133.28		\$11,440.00
Total			<b>\$190,648.74</b>		<b>\$195,925.68</b>		<b>\$211,556.18</b>



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
March 24, 2016

Agenda Item No. 3D  
Consent Calendar

**Award of RFP JA2088 Purchase of  
One Type 6 Brush Patrol Vehicle and Five Paramedic Squad Vehicles**

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**Contact(s) for Further Information**

Mike Schroeder, Assistant Chief Support Services Department	<a href="mailto:michaelschroeder@ocfa.org">michaelschroeder@ocfa.org</a>	714.573.6008
Rick Oborny, Fleet Services Manager	<a href="mailto:rickoborny@ocfa.org">rickoborny@ocfa.org</a>	714.573.6651

**Summary**

This agenda item is submitted for the approval to purchase one Type 6 Brush Patrol vehicle and five Paramedic Squad vehicles from Boise Mobile Equipment, Inc. (BME), the number one ranked firm in the Request for Proposal (RFP) process. In addition, staff is requesting approval for the Purchasing Manager to authorize the purchase of three additional Paramedic Squads from this contract during FY 2016/17.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

1. Approve and authorize the Purchasing Manager to issue a purchase order to Boise Mobile Equipment Inc., for the purchase of one Type 6 Brush Patrol vehicle and five Paramedic Squad vehicles in an amount not to exceed \$1,203,215.00 (includes tax).
2. Authorize the Purchasing Manager to utilize this contract to purchase three future budgeted Paramedic Squads during FY 2016/17 upon mutual agreement of OCFA and BME with pricing escalation limited to manufacturers chassis price increases and Producer Price Index for raw goods.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the FY 2015/16 Vehicle Replacement Fund (133) budget.

**Background**

Each year, the Fleet Services Manager reviews the vehicles identified for replacement in the OCFA's vehicle replacement plan. This evaluation considers the vehicle's current age, mileage, and repair history. Based on the review, five Paramedic Squad vehicles were approved for replacement and one Type 6 Brush Patrol vehicle was approved to be added and budgeted in the FY 2015/16 budget.

Once the vehicles are replaced with new vehicles they will be rotated into relief status for approximately five to seven years.

The purchase of one Type 6 Brush patrol vehicle, as requested by Operations, will be added to OCFA's existing fleet of twelve Type 6 vehicles. The new apparatus will be housed at Fire Station 15, located in Silverado Canyon, bringing enhanced service, rescue, and firefighting capabilities to the residents and those individuals visiting, biking, and hiking in the area.

### ***RFP Preparation and Recommendation for Award***

On October 8, 2015, RFP No. JA2088 was issued. A non-mandatory pre-proposal meeting was held on October 28, 2015, and representatives from eight companies attended. Final proposals were due on December 1, 2015, and three proposals were received. The three proposals were evaluated based on the following weighted criteria as defined in the RFP: method of approach (5%), experience & references (15%), ability to meet specifications (40%), and pricing (40%). After a thorough evaluation of all proposals and interviews with all three companies, BME's proposal was ranked number one overall.

Pursuant to the terms of the RFP, staff requested a best and final offer from the highest ranked respondent, BME. The request for best and final offer resulted in a savings of \$8,500. This savings was due to a reduction in proposed transportation/delivery costs by \$3,100 and elimination of \$5,400 in pre-construction/inspection costs as a result of both the Paramedic Squads and Type 6 Brush Patrol vehicle being awarded to the same vendor, which allows the pre-construction/inspection trips for each vehicle type to be combined and completed at the same time. The delivery date for all six new vehicles is estimated at 120-150 days after award of contract.

In addition to the initial request for one Type 6 Brush Patrol vehicle and five Paramedic Squads, the RFP also included language for the option of the OCFA to extend the contract for the future purchase of three additional Paramedic Squads. The three additional Paramedic Squad vehicles are budgeted for replacement in FY 2016/17. The advantages of authorizing additional purchases from this contract include savings of staff time necessary for bidding, fleet standardization, and the ability to better plan and coordinate unit order/delivery dates.

Based on the results of the RFP, staff is recommending the award of this contract for the purchase of one Type 6 Brush Patrol vehicle and five Paramedic Squad vehicles from Boise mobile Equipment Inc. In addition, staff further recommends that the Purchasing Manager be granted the authority to utilize this contract for the purchase of three additional Paramedic Squad vehicles during FY 2016/17, upon mutual agreement of OCFA and BME with the unit pricing escalation limited to manufacturer's chassis price increases and Producer Price Index for raw goods.

### ***Attachment(s)***

RFP JA2088 Evaluation Pricing Analysis

**Orange County Fire Authority  
JA2088 – Type 6 Brush Patrol Vehicle and Paramedic Squads  
RFP Pricing Analysis**

**RFP Pricing Analysis:**

Ranking		1		2		3	
Vendor		Boise Mobile Equipment		Emergency Vehicle Group		McPeck Dodge	
Description	Qty	Unit Price	Bid Total	Unit Price	Bid Total	Unit Price	Bid Total
2016 Type 6 Brush Patrol Vehicle	1	\$229,900.00	\$229,900.00	\$271,095.00	\$271,095.00	\$239,415.00	\$239,415.00
Sales Tax (8%)			\$18,392.00		\$21,687.60		\$19,153.20
Pre-Construction/Mid-Inspection/Final Inspection Trips (per person costs) non-taxable	12	\$450.00	\$5,400.00	\$1,900.00	\$22,800.00	Local	\$0.00
CA Tire Fees non-taxable	1	\$10.50	\$10.50	\$10.50	\$10.50	\$12.25	\$52.50
Transportation/Delivery Charge non-taxable	1	\$1,400.00	\$1,400.00	Included	\$0.00	N/A	\$0.00
Single Source 5-year warranty non-taxable	1	\$4,000.00	\$4,000.00	\$6,000.00	\$6,000.00	no bid	no bid
Total			<b>\$255,105.50</b>		<b>\$315,593.10</b>		<b>\$258,568.20</b>

Ranking		1		2		3	
Vendor		Boise Mobile Equipment		Emergency Vehicle Group		McPeck Dodge	
Description	Qty	Unit Price	Bid Total	Unit Price	Bid Total	Unit Price	Bid Total
2016 Paramedic Squad	5	\$174,900.00	\$874,500.00	\$191,814.00	\$959,070.00	\$205,385.76	\$1,026,928.80
Sales Tax (8%)	5	\$13,992	\$69,960.00	\$15,345.12	\$76,25.60	\$16,430.86	\$82,154.30
Pre-Construction/Mid-Inspection/Final Inspection Trips (per person costs) non-taxable	12	\$450.00	\$5,400.00	\$1,900.00	\$22,800.00	Local	\$0.00
CA Tire Fees non-taxable	5	\$10.50	\$52.50	\$10.50	\$52.50	\$12.25	\$61.25
Transportation/Delivery Charge non-taxable	1	\$6,700.00	\$6,700.00	Included	\$0.00	N/A	\$0.00
Single Source 5-year warranty non-taxable	5	\$4,000.00	\$20,000.00	\$6,000.00	\$30,000.00	no bid	no bid
Total			<b>\$956,612.50</b>		<b>\$1,058,648.10</b>		<b>\$1,109,144.35</b>

***Best and Final Offer Pricing Adjustment***



**Orange County Fire Authority**  
**JA2088 – Type 6 Brush Patrol Vehicle and Paramedic Squads**  
**RFP Pricing Analysis**

Ranking		1	
Vendor		Boise Mobile Equipment	
Description	Qty	Unit Price	Bid Total
2016 Type 6 Brush Patrol Vehicle	1	\$229,900.00	\$229,900.00
Sales Tax (8%)	1	\$18,392.00	\$18,392.00
*Pre-Construction/Mid-Inspection/Final Inspection Trips (per person costs) non-taxable	12	\$0.00	\$0.00
CA Tire Fees non-taxable	1	\$10.50	\$10.50
**Transportation/Delivery Charge non-taxable	1	\$1,000.00	\$1,000.00
Single Source 5-year warranty non-taxable	1	Opt out	Opt out
Total			<b>\$249,302.50</b>

*\*Pre-Construction/Inspection trip to be combined with Paramedic Squad trip. Savings of \$5,400.00*

*\*\* Savings of \$400 in Transportation/Delivery costs*

Ranking		1	
Vendor		Boise Mobile Equipment	
Description	Qty	Unit Price	Bid Total
2016 Paramedic Squad	5	\$174,900.00	\$874,500.00
Sales Tax (8%)	5	\$13,992	\$69,960.00
+Pre-Construction/Mid-Inspection/Final Inspection Trips (per person costs) non-taxable	12	\$450.00	\$5,400.00
CA Tire Fees non-taxable	5	\$10.50	\$52.50
++Transportation/Delivery Charge non-taxable	1	\$4,000.00	\$4,000.00
Single Source 5-year warranty non-taxable	5	Opt out	Opt out
Total			<b>\$953,912.50</b>

*+ Four people three trips Succession planning*

*++ Savings of \$2,700 in Transportation/Delivery costs*



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
March 24, 2016

Agenda Item No. 3E  
Consent Calendar

**Sole Source Purchasing Request for  
Crucial Skills Suite Training Programs**

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**Contact(s) for Further Information**

Brian Young, Assistant Chief  
Organizational Planning Department

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714.573.6014

Christopher Veal, Training Manager

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

714.573.6026

**Summary**

This agenda item is submitted for approval to issue a purchase order and subsequent fixed-price blanket order to VitalSmarts, LLC, the sole source product provider of the Crucial Skills Suite Training Programs, in order to bring its proprietary intellectual property on-board and allow for ongoing training and development for OCFA personnel.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

1. Approve and authorize the Purchasing Manager to issue a purchase order to VitalSmarts, LLC for Crucial Skills Suite materials and certification fees in the amount of \$19,199.
2. Approve and authorize the Purchasing Manager to establish a fixed-price blanket order for the replenishment of participant kits for three years in an amount not to exceed \$30,000 annually, based upon participant demand.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding is included in the FY 2015/16 General Fund Budget.

**Background**

The Crucial Skills Suite of Training Programs (Crucial Accountability and Crucial Conversations) is trademarked intellectual property developed by VitalSmarts, LLC, and is used by more than half of the Fortune 500 companies. It is based upon more than 30 years of ongoing research and focuses on people and behavior. The skills learned in the Crucial Skills Suite yield:

- Greater efficiency
- Improved working relationships
- Better one-on-one discussions
- Increased individual and team effectiveness and decision making

The current Organizational Development & Training Manager facilitated the Crucial Conversations content for several years at the Orange County Transit Authority and saw firsthand the positive impact the training had on employees during his tenure there. He believes this content will help both individuals and leaders throughout the OCFA develop and hone skills that will significantly increase their ability to speak, be heard, and be better equipped to handle future change.

In November 2015, a purchase order was issued (P0009101) for \$8,036 to send seven OCFA personnel to attend a Crucial Conversations public workshop to evaluate the applicability of the content for OCFA. The attendees included operations and professional staff, and their unanimous feedback supported bringing the content on-board. As a result, a second purchase order was issued (P0009173) in December 2015 for \$16,295 for the certification of OCFA personnel to facilitate the content and purchase the consumable training materials needed to implement and facilitate the Crucial Conversations portion of the content suite at OCFA.

The OCFA personnel who attended the workshop also recommended implementing the Crucial Accountability portion of the content, and it was later decided to also certify staff to facilitate this program in house. Because the purchase of these additional certifications and training materials for the second program will bring the total aggregate amount spent above \$25,000.00, staff is requesting the Executive Committee to approve and authorize the Purchasing Manager to issue a purchase order in the amount of \$19,199 to VitalSmarts, LLC.

Having the facilitators of these two programs on staff will yield cost savings greater than \$1,000 per participant, not including travel costs, as we will hold in-house trainings rather than send staff out of county to attend the public workshops. An additional cost savings will be realized by providing both courses in the Crucial Skills Suite in-house as participants who attend one of the two-day courses will only need to attend a one-day version of the other course. We also will have the flexibility to schedule trainings when it is most convenient for us.

Additionally, having internally certified trainers will allow the incorporation of OCFA specific examples into the course work to make the content even more applicable and meaningful to the participants. The internally certified trainers will also be able to provide on-going support to participants after the classroom session has ended by serving as a resource to help with advice or feedback on difficult conversation or accountability challenges that may arise.

The roll-out plan includes making the content available to all OCFA personnel. Each of the two courses will be offered three times annually, based upon demand, for a total of six classes per year. Future expenditures with VitalSmarts will consist only of the purchase of additional consumable participant kits (\$235 per kit, not including tax) on an as-needed basis. As such, staff is also requesting that the Executive Committee approve and authorize the Purchasing Manager to issue a fixed-price blanket order contract for the replenishment of these kits in an amount not to exceed \$30,000 annually, based upon participant demand.

#### ***Sole Source Product Provider***

The Crucial Skills Suite of Training Programs (Crucial Accountability and Crucial Conversations) is trademarked intellectual property developed by VitalSmarts, LLC. Therefore, VitalSmarts LLC is the sole source provider of this training product.

#### ***Attachment(s)***

Crucial Skills Suite Informational Handout



# The Crucial Skills™ Suite

*One of the greatest challenges we face at work is . . . others. No matter our field of expertise, we're required to work with experts across our organization, not to mention customers. Day in and day out, we must "interface" with others. Lots of others. Opinionated others. Faulted others. And we're not alone in finding frustration with others. Nearly everyone can relate to the challenge of attempting to secure results while working with other human beings.*

## Two Crucial Moments

We've spent the past 30 years researching and solving this very challenge. Specifically, we found the way people interact with others during two crucial moments have a profound effect on both personal and organizational success:

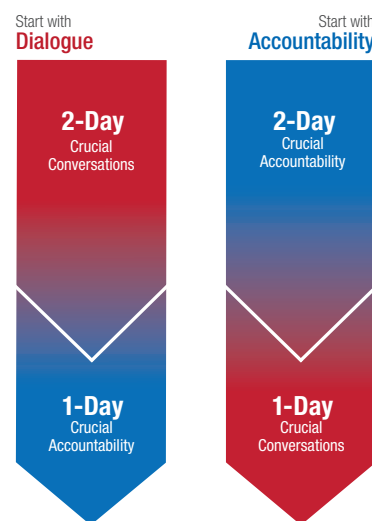
**Crucial Conversations®** Creating alignment and agreement by fostering open dialogue around high-stakes, emotional, or risky topics—at all levels of your organization.

**Crucial Accountability®** Identifying and resolving performance gaps, strengthening accountability, eliminating inconsistency, and reducing resentment.

With both skill sets, people know how to surface the best ideas, make the highest-quality decisions, and handle tough or persistent gaps in performance and expectations.

## One Powerful Offering. Two Suite Options.

The Crucial Skills Suite allows you to easily offer both high-leverage skill sets to your organization. Whether your employees begin with Crucial Conversations or Crucial Accountability, they can add the missing skills from the other course to complete the suite in less time and for less cost. Here's what it looks like:



**Crucial Skills Mastery**

## Organizational Benefits of the Suite

Organizations that have made these crucial skills part of their culture have experienced improvements in:

### Productivity & Quality

Sprint Nextel saw a 93% improvement in productivity and a 10 to 15% improvement in quality, time, and cost.

### Teamwork

Employees at MaineGeneral Health were 167% more likely to speak up and resolve problems with colleagues.

### Performance

STP Nuclear Power Plant went from total shut-down to generating the most electricity in the nation among two-unit plants.

### Efficiency

AT&T reduced billing costs by 30% and Sprint Nextel reduced customer care expenses by \$20 million annually.

### Safety

Pride International improved their total incident rate by 55% and reported zero accidents that required employees to miss time on the job.

### Employee Turnover

Orkin saw an 8% decrease in turnover.

## Who Needs the Suite?

Whether you're training a front-line employee or c-level executive, everyone should learn to express his or her views in a way that is honest and respectful and then be able to hold others accountable—even in the face of power and differing opinions.

And if those in your organization are already graduates of either the Crucial Conversations or Crucial Accountability course, we've made adding on the other skill set much easier. They're more than half way there already.

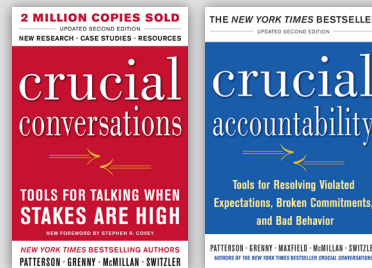
## Don't Take Our Word for It

More than one million people and three hundred of the Fortune 500 companies have used these skills to improve their organization and create change for good.

## What's the Next Step?

If your organization could benefit from the skills taught in the Crucial Skills Suite, contact us today to learn more. Call **1-800-449-5989** or visit us at **[www.vitalsmarts.com/crucialsuite](http://www.vitalsmarts.com/crucialsuite)**.

**About VitalSmarts** An innovator in corporate training and leadership development, VitalSmarts combines three decades of original research with 50 years of the best social science to help leaders and organizations change human behavior and achieve new levels of performance. We've identified four high-leverage skill sets that, when used in combination, create healthy corporate cultures. These skills are taught in our award-winning training programs and *New York Times* bestselling books of the same titles: Crucial Conversations, Crucial Accountability, Influencer, and Change Anything. VitalSmarts has worked with 300 of the Fortune 500 companies and trained more than one million people worldwide. **[www.vitalsmarts.com](http://www.vitalsmarts.com)**



## Participant Materials:

Each course offers the following materials:

- Participant Toolkit
- Cue cards or contract cards for each lesson in a desktop display case
- Model card
- A copy of the *New York Times* bestselling book
- Audio Companion
- A course completion certificate

## Training Options:

### In-house

One of our expert trainers delivers the programs virtually\* or at a location you specify.

### Public Workshop

Your employees attend prescheduled, public training workshops. Both virtual and in-person training options are available\*.

### Trainer Certification

Individuals or trainers from your organization certify to teach the courses within your company.

*\*Crucial Conversations one-day course for Crucial Accountability graduates is currently not available virtually.*

## Want to Customize these Courses?

We offer multiple options to both personalize our trainings to meet your specific needs, as well as measure its impact. Learn more at **[www.vitalsmarts.com/tailormeasure](http://www.vitalsmarts.com/tailormeasure)**.





# ORANGE COUNTY FIRE AUTHORITY

## SUPPLEMENTAL AGENDA

### EXECUTIVE COMMITTEE REGULAR MEETING

Thursday, March 24, 2016

5:30 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.

The following item is added to the above stated agenda in the location noted below. This item is posted in conformance with the Brown Act and is to be considered as part of the regular agenda.

### 3. CONSENT CALENDAR

#### **F. Sole Source Blanket Order – CorVel Corporation**

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

#### Recommended Action:

Approve and authorize the Purchasing Manager to establish a three-year blanket order contract with CorVel Corporation for the administration of Traveler's Insurance Claims in the amount estimated not to exceed \$40,000 annually.

**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 Fire Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 21<sup>st</sup> day of March 2016.

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



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
March 24, 2016

Agenda Item No. 3F  
Consent Calendar (Supplemental Item)

**Sole Source Blanket Order – CorVel Corporation**

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**Contact(s) for Further Information**

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Organizational Planning Department

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714.573.6014

Jonathan Wilby, Risk Manager  
Human Resources Department

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

714.573.6832

**Summary**

This agenda item seeks approval to issue a sole source blanket order with CorVel Corporation, for administration of the Traveler's Insurance Claims.

**Prior Board/Committee Action(s)**

On March 27, 2014, the Executive Committee awarded the current contracts to CorVel and Cannon Cochran Management Services, Inc. (CCMSI) for workers' compensation administration.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Manager to establish a three-year blanket order contract with CorVel Corporation for the administration of Traveler's Insurance Claims in the amount estimated not to exceed \$40,000 annually.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding for Third Party Administration (TPA) services is included in the Adopted FY 2015/16 General Fund Budget.

**Background**

In January 2013, the OCFA issued a competitive RFP (DC1857) for third party administration (TPA) of self-insured workers' compensation program. A subsequent RFP was issued (DC1898) for the pre-2002 Traveler's Insurance Claims (workers injury claims occurring prior to self-insurance).

CorVel Corporation was awarded the contract for the self-insured workers' compensation program and CCMSI was awarded the contract for the Traveler's Insurance Claims. At the time of the solicitations, Traveler's Insurance (the commercial carrier responsible for the pre-2002 indemnity claims) only had six TPA firms authorized to administer claims. CorVel Corporation was not a partner with Traveler's; therefore, it could not provide administration of these insurance claims.



CorVel reduced its pricing for TPA services to cover OCFA's cost for handling these claims in honor of the intent of its submitted proposal for OCFA's self-insured workers' compensation program. CorVel reduced the first year contract amount by \$36,248.

Staff recently received notice from CCMSI that it will not renew the contract for managing the Traveler's insurance claims stating the reasoning that the contract is not financially beneficial. The current contract ends effective May 31, 2016. CCMSI's decision leaves the OCFA with an urgency to select a TPA quickly in order to transition the claims data in a short timeframe. Due to the processing time required to transition the claims data and in an effort to provide continuity to employee benefits, staff is bringing this request to the Executive Committee for its approval.

CorVel Corporation is now an approved partner as documented in the attached confirmation from Traveler's. CorVel has agreed to take over the 31 open insurance claims (decreased from the 39 open claims in 2013) and staff has negotiated a fee schedule based on a per claim basis that will be equivalent to the fees charged by CCMSI. CorVel Corporation's administration of this small subset of claims would allow for continuity of claims handling and prevent a delay in benefits to injured employees. CorVel Corporation is currently administering the self-insured workers' compensation program claims for the OCFA with good results. Based on the current relationship and the urgency, staff is requesting the Executive Committee approve this sole source request with CorVel to administer the Traveler's Insurance Claims for a three-year contract in an amount not to exceed \$40,000 annually.

**Attachment(s)**

1. Traveler's Confirmation Email
2. Pricing Proposal

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**From:** Piattoni, Bryan [[mailto:Bryan\\_Piattoni@Corvel.com](mailto:Bryan_Piattoni@Corvel.com)]  
**Sent:** Friday, March 18, 2016 12:27 PM  
**To:** Haynes, Rhonda  
**Subject:** FW: Approval Status

Approval from Travelers below...

Bryan Piattoni, ARM | Account Manager  
CorVel Corporation | Orange CA  
T 714. 385. 8548 | C 714. 640. 9967 | VOIP 83220  
[bryan\\_piattoni@corvel.com](mailto:bryan_piattoni@corvel.com) | [www.corvel.com](http://www.corvel.com)

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**From:** Shea,Suzanne W [<mailto:sshea@travelers.com>]  
**Sent:** Thursday, March 17, 2016 2:32 PM  
**To:** Davis, Dan <[Dan\\_Davis@CORVEL.COM](mailto:Dan_Davis@CORVEL.COM)>  
**Subject:** RE: Approval Status

Dan,

In answer to your questions, the first one is yes. As far as the WC takeover claims, the answer is yes. Lastly, yes, liability takeover claims are on hold until the liability EDI is tested and approved.

Hope that clarifies some of your concerns! Thanks.

**Suzanne Shea | Enterprise TPA Management**  
Travelers  
One Tower Square | 12MS  
Hartford, CT 06183  
Work: 860.277.0518 Fax: 888-276-6140



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## CorVel Corporation Pricing Proposal for Orange County Fire Authority – Travelers Tail Claims

### Claims Administration

Data Conversion and Implementation	\$5,950
Monthly Fee Per Open or Reopened claim	
Indemnity	\$85
Future Medical	\$69
CareMC User IDs (up to 5 included)	Included
Annual Banking Fees (per account)	One CorVel Wells Fargo account included
TPA Oversight and tail claim transfer	Fees imposed by carrier, responsibility of client
Subrogation	25% of Recoveries
Indexing and OFAC Compliance	\$15 per index

### Managed Care

Medical Provider Network Administrative Cost	\$ Included
<b>Medical Review</b>	<b>Per Bill</b>
(a) Treating physician services	\$7/bill (plus 10% total savings). <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP
(c) Savings percentages (total) for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO total savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit total savings percentage	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
<b>Utilization Review</b>	<b>Hourly or Per Claim</b>
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour

(d) *Other Associated Costs	\$200 per hour for Medication Review (optional)
*Any additional cost and include your appeal process cost and any other costs	
<b>Medical Case Management</b>	<b>Hourly or Per Claim</b>
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$135 per hour
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

*The above pricing per claim is based on handling of all claims that occur and are reported during the agreement period. They will be handled until closed or until the end of the agreement period, whichever comes first. Rates on claims that occur outside of the United States are subject to alternative pricing to be discussed prior to start of the contract. Pricing is valid for first year of the contract. At the end of the first year, fees are subject to an annual increase of the greater of CPI or 3.0%.*

*CorVel is approved to assume Third Party Administrator duties on Travelers' Workers Compensation claims.*



Brandon O'Brien  
Area Vice President  
CorVel Corporation