



# **ORANGE COUNTY FIRE AUTHORITY**

## **AGENDA**

**BOARD OF DIRECTORS REGULAR MEETING**  
**Thursday, January 25, 2018**  
**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 Johnson

**ROLL CALL**

## 1. PRESENTATIONS

### A. Requests for Commendations and Proclamations

Submitted by: Sherry Wentz, Clerk of the Authority

Recognition of Laguna Hills City Manager Bruce Channing for his service to the OCFA

Recommended Action:

Approve request as submitted and make presentation.

## 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 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 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](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 Board of Directors meeting.

## CLOSED SESSION

### CS1. CONFERENCE WITH LABOR NEGOTIATOR

Negotiators: Peter Brown, Liebert Cassidy and Whitmore  
Employee: Orange County Professional Fire Fighters Association, Local  
Organization: 3631, Chief Officers Association, Orange County Fire  
Authority Managers Association, Orange County Employees'  
Association, and all unrepresented employees  
Authority: Government Code Section 54957.6

### CS2. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(d)(2) – Significant Exposure to  
Litigation (2 case)

### CS3. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(c) – Initiation of Litigation (1 case)  
regarding Air Operations

### CS4. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(c) – Initiation of Litigation (1 case)

## CLOSED SESSION REPORT

**REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR**

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

**REPORT FROM THE CLAIMS SETTLEMENT COMMITTEE CHAIR**

**REPORT FROM THE FIRE CHIEF**

**2. MINUTES**

**A. Minutes from the November 16, 2017, Regular Board of Directors Meeting**

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

**3. CONSENT CALENDAR**

**A. Annual Grant Priorities for 2018**

Submitted by: Brian Young, Assistant Chief/Operations Department

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

Recommended Action:

Approve OCFA's Annual Grant Priorities for 2018.

**B. FY 2017/18 Mid-Year Financial Report**

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

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

Recommended Action:

Direct staff to continue monitoring the budget for further refinement and return in March 2018 for approval of the proposed FY 2017/18 budget adjustments.

**C. 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 entitled 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, which changes the regular quarterly meetings of the Human Resources Committee from January, April, July, and October to February, May, August, and November.

**D. Amendment to 2018 Board Meeting Schedule**

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

Recommended Action:

Adopt the proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING AN AMENDMENT TO THE REGULAR MEETING DATES OF THE BOARD OF DIRECTORS FOR CALENDAR YEAR 2018.

**E. Amendment to State Standard Agreement for Fire Protection Services of State Responsibility Areas**

Submitted by: Brian Young, Assistant Chief/Operations Department

Recommended Action:

Approve and authorize the Board Chair to sign the proposed revised Assignment of the three-year Cooperative Fire Protection Agreement between the State of California Department of Forestry and Fire Protection and the County of Orange to OCFA.

**F. Resolution Authorizing Fire Chief to Execute a Cooperative Agreement for the Loan of Federal Excess Personal Property**

Submitted by: Brian Young, Assistant Chief/Operations Department

Recommended Action:

Adopt the proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING APPLICATION FOR FEDERAL EXCESS PERSONAL PROPERTY IN ACCORDANCE WITH UNITED STATES FOREST SERVICE COOPERATIVE FORESTRY ASSISTANCE ACT (CFAA) OF 1978 authorizing the Fire Chief, or his designee, to execute the Cooperative Agreement for the Loan of Federal Excess Personal Property between the State of California Department of Forestry and Fire Protection and the Orange County Fire Authority.

**G. Secured Fire Protection Agreement Amendment No. 4 with The Irvine Company regarding Furniture, Fixtures, and Equipment**

Submitted by: Dave Anderson, Assistant Chief/Support Services Department

Recommended Actions:

1. Approve and authorize the Fire Chief to execute a proposed amendment to the Secured Fire Protection Agreement with The Irvine Company for the purpose of allowing the Authority to purchase Furniture, Fixtures, and Equipment (FF&E) necessary to furnish Fire Station 20.
2. Authorize Property Manager and Purchasing Manager to purchase items identified on the FF&E spreadsheet for a total not to exceed amount of \$161,424.98.

**END OF CONSENT CALENDAR**



**4. PUBLIC HEARING(S)**

No items.

**5. DISCUSSION CALENDAR**

No items.

**ELECTION OF BOARD CHAIR AND VICE CHAIR**

**BOARD MEMBER COMMENTS**

**ADJOURNMENT** – Pending the Board’s approval, the next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, February 22, 2018, 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 Fire Operations and Training Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 18<sup>th</sup> day of January 2018.

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

**UPCOMING MEETINGS:**

Human Resources Committee Meeting	Tuesday, February 6, 2018, 12 noon
Budget and Finance Committee Meeting	Wednesday, February 14, 2018, 12 noon
Claims Settlement Committee Meeting	Thursday, February 22, 2018, 5:00 p.m.
Executive Committee Meeting	Thursday, February 22, 2018, 5:30 p.m.
Board of Directors Meeting	Thursday, February 22, 2018, 6:00 p.m.

# **MINUTES ORANGE COUNTY FIRE AUTHORITY**

**Board of Directors Regular Meeting  
Thursday, November 16, 2017  
6:00 P.M.**

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

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## **CALL TO ORDER**

A regular meeting of the Orange County Fire Authority Board of Directors was called to order on November 16, 2017, at 6:00 p.m. by Chair Swift.

## **INVOCATION**

Chaplain Brett Peterson offered the invocation.

## **PLEDGE OF ALLEGIANCE**

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

## **ROLL CALL**

Tim Brown, San Clemente  
Ellery Deaton, Seal Beach  
Carol Gamble, Rancho Santa Margarita  
Dave Harrington, Aliso Viejo  
Noel Hatch, Laguna Woods  
Robert Johnson, Cypress  
Al Murray, Tustin  
Ed Sachs, Mission Viejo  
David Shawver, Stanton  
Elizabeth Swift, Buena Park  
Juan Villegas, Santa Ana

Laurie Davies, Laguna Niguel  
Sergio Farias, San Juan Capistrano  
Craig Green, Placentia  
Shelley Hasselbrink, Los Alamitos  
Gene Hernandez, Yorba Linda  
Joe Muller, Dana Point  
Bill Nelson, Villa Park  
Don Sedgwick, Laguna Hills  
Michele Steggell, La Palma  
Tri Ta, Westminster

**Absent:** Lisa Bartlett, County of Orange  
Melissa Fox, Irvine

Leah Basile, Lake Forest  
Todd Spitzer, County of Orange

## **Also present were:**

Interim Fire Chief Patrick McIntosh  
Assistant Chief Brian Young  
Assistant Chief Lori Smith  
General Counsel David Kendig  
Clerk of the Authority Sherry Wentz

Assistant Chief Lori Zeller  
Assistant Chief Mike Schroeder  
Assistant Chief Dave Anderson  
Human Resources Director Brigitte Gibb

Using the Chair's discretion, Chair Swift announced the re-ordering of the agenda to bring forward Closed Session following Public Comments.

## **1. PRESENTATIONS**

Chair Swift and Interim Fire Chief McIntosh, recognized and made presentations to Alex Schrier, Jeffrey Bounds, Eben Benade, and Matt Nelor for life saving actions during a vehicle accident and fire. (F: 11.09C) (X: 11.09)

Director Harrington arrived at this point (6:10 p.m.).

## **PUBLIC COMMENTS (F: 11.11)**

Stephen Wontrobski, Mission Viejo resident, presented his appointment suggestions for the Fire Chief Ad Hoc Committee, and commented on his prior Public Records Act requests referencing the external auditor's working papers.

## **CLOSED SESSION (F: 11.15)**

### **CS1. CONFERENCE WITH LABOR NEGOTIATOR**

Negotiator: Peter Brown, Liebert Cassidy and Whitmore  
Employee  
Organization: Orange County Employees' Association  
Authority: Government Code Section 54957.6

### **CS2. CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION**

Authority: Government Code Section 54956.9(d)(2) – Significant Exposure to Litigation (1 case)

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

Chair Swift recessed the meeting to Closed Session at 6:14 p.m.

Director Murray arrived at this point (7:03 p.m.).

Chair Swift reconvened the meeting from Closed Session at 8:13 p.m., with all prior members present.

Director Brown left at this point (8:13 p.m.).

## **CLOSED SESSION REPORT (F: 11.15)**

General Counsel David Kendig stated there were no reportable actions.

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

Budget and Finance Committee Chair Sachs reported at the November 8, 2017, meeting, the Committee voted unanimously to send the Monthly Investment Reports to the Executive Committee for its approval, and to send the Annual Statement of Investment Policy and Investment Authorization, the Audited Financial Reports for the Fiscal Year Ended June 30, 2017, and the Service Delivery Enhancements – Phase Four, to the Board of Directors for approval of the recommended actions.

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

As there was no meeting this month, there was no report.

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

Claims Settlement Committee Chair Swift reported the Committee considered Workers' Compensation claims for claimants Christopher Wood, Arthur Herrera, Joseph Steelman, Steven Floren, and Ronald Thompson. There were no reportable actions.

### **REPORT FROM THE FIRE CHIEF (F: 11.14)**

Interim Fire Chief Patrick McIntosh provided an update on the Canyon Fire 2 Independent Review Panel; Fire Station 61's new replacement truck; invited audience members to attend the December 4, 2017, Orange County Fire Service Memorial; recognized retiring Division Chief John Abel, who addressed the Board, and introduced newly promoted Division Chief Rob Capobianco.

## **2. MINUTES**

### **A. Minutes from October 26, 2017, Regular and Special Board of Directors Meetings (F: 11.06)**

On motion of Director Ta and second by Director Hernandez, the Board of Directors voted by those present to approve the October 26, 2017, Minutes as submitted. Directors Deaton, Farias, Gamble, and Harrington were recorded as abstentions due to their absence from the meeting. Director Brown was absent for the vote.

### **3. CONSENT CALENDAR**

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

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

1. Review and approve the submitted Investment Policy of the Orange County Fire Authority, to be effective January 1, 2018.
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, 2018.

Director Brown was absent for the vote.

#### **B. Designation of Fire Authority Representatives to File Applications for State and/or Federal Financial Assistance Relating to Declared Disasters or Emergencies.**

(F: 21.15B)

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

1. Adopt Resolution No. 2017-08 entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY FIRE AUTHORITY, CALIFORNIA, DESIGNATING OCFA REPRESENTATIVES TO FILE APPLICATIONS FOR EMERGENCY FINANCIAL ASSISTANCE.
2. Approve and authorize the Clerk of the Authority to execute the State of California Office of Emergency Services Form 130 designating the positions of Assistant Chief/Business Services, Human Resources Director, or Finance Manager to execute and file applications on behalf of the OCFA related to all State and/or Federal declarations of disaster or emergency for the next three years.

Director Brown was absent for the vote.

### **END OF CONSENT CALENDAR**

### **5. DISCUSSION CALENDAR**

#### **A. Service Delivery Enhancements – Phase Four (F: 21.15B)**

Assistant Chief Mike Schroeder presented a PowerPoint presentation on the Phase 4 Service Delivery Enhancements.

Stephen Wontrobski, Mission Viejo resident, addressed the use of private paramedics.

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

1. Authorize staff to increase FY 2017/18 appropriations in the General Fund (121) by \$343,340 in FY 2017/18 to fund a 4<sup>th</sup> position on Engine 13 effective December 22, 2017.
2. Authorize staff to add 3 Firefighter positions to the Master Position Control (one post position with three employees) for the Engine 13 position.

Director Brown was absent for the vote.

#### **B. Audited Financial Reports for the Fiscal Year Ended June 30, 2017 (F: 17.10D)**

Assistant Chief Lori Zeller introduced Roger Alfaro, Partner of Vavrinek, Trine, Day & Company, who provided a summary of the financial audit for Fiscal Year ended June 30, 2017.

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

1. Receive and approve the reports.
2. Review the calculations used to determine the fund balance amounts assigned to the capital improvement program and workers' compensation, and confirm the calculations' consistency with the OCFA's Assigned Fund Balance Policy.
3. Allocate the FY 2016/17 year-end unencumbered fund balance of \$14,174,516 as follows:
  - a. Approve a FY 2017/18 budget transfer from the General Fund (121) to the Structural Fire Entitlement Fund (171) in the amount of \$1,000,000.
  - b. Approve a FY 2017/18 budget adjustment in the General Fund (121) increasing appropriations by \$13,174,516 and direct an immediate payment of this amount to the Orange County Employees Retirement System for the purpose of paying down the unfunded pension liability.

Director Brown was absent for the vote.

#### **BOARD MEMBER COMMENTS (F: 11.13)**

Director Gamble thanked Division Chief John Abel for his service.

Director Green noted his attendance at the Reserve Firefighter Academy Graduation.

Director Hatch thanked Chaplain Peterson for this evening's invocation and his service to the OCFA.

Chair Swift reported that she and Vice Chair Sachs went on a tour of the Santiago Canyon fire stations provided by Battalion Chief Andy Kovacs; toured the fire stations of Division 6 with Division Chief Steffen; and attended the Reserve Firefighter Academy Graduation.

Vice Chair Sachs also commented on the Santiago Canyon fire station tour noting that he and Chair Swift also visited the Helena Modjeska Historic House and Gardens in Modjeska Canyon.

**ADJOURNMENT** – Chair Swift adjourned the meeting at 8:51 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for January 25, 2018, at 6:00 p.m.

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



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Board of Directors Meeting  
January 25, 2018

Agenda Item No. 3A  
Consent Calendar

**Annual Grant Priorities for 2018**

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**Contact(s) for Further Information**

Brian Young, Assistant Chief                      [brianyoung@ocfa.org](mailto:brianyoung@ocfa.org)                      714.573.6012  
Operations Department

Jay Barkman, Legislative Analyst                      [jaybarkman@ocfa.org](mailto:jaybarkman@ocfa.org)                      714.573.6048

**Summary**

This annual agenda item is submitted to the Budget and Finance Committee for adoption of OCFA's Annual Grant Priorities for 2018.

**Prior Board/Committee Action**

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

At its regular January 10, 2018, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Approve OCFA's Annual Grant Priorities for 2018.

**Impact to Cities/County**

Successful grant applications for staffing and equipment will provide significant benefit to member cities and the county.

**Fiscal Impact**

If grant funds are awarded for staffing or equipment, these funds will help offset expenses.

**Background**

OCFA's application for a Federal Emergency Management Agency (FEMA) *Staffing for Adequate Fire and Emergency Response* (SAFER) grant of \$3.6 million to fund a fourth firefighter position for Buena Park, Tustin, Placentia, and San Clemente was approved in 2017. OCFA also submitted applications in 2017 for FEMA's *Assistance to Firefighters* grants for extrication tools, a regional grant for firefighter turnout washers, and a California Office of Traffic Safety grant for extrication tools; however, these applications were denied.

The attached document outlines details on projects considered for 2018.

**Attachment(s)**

OCFA's Annual Grant Priorities for 2018





## Orange County Fire Authority

**Annual Grant Priorities**

2018

**Staffing for Adequate Fire and Emergency Response (SAFER)****\$3.6 million award**

This Federal Emergency Management Agency (FEMA) grant funds the hiring of “front-line” firefighters. In 2017, the OCFA requested and received funding for new firefighter positions, including the addition of a fourth firefighter on engines to enhance service delivery, improve efficiency, and enhance firefighter safety. The grant provides three years of funding with a federal share of 75% in the first two years and 35% in the final year. There is no requirement the positions be maintained after the three-year grant period ends; however, OCFA and the impacted cash contract cities listed below have agreed to maintain the positions after the grant.

**2017 Award**

Firefighter Staffing: OCFA’s grant award will fund a fourth firefighter for a single unit in each of the member cities of Buena Park, San Clemente, Placentia, and Tustin. Each city has an engine currently staffed with three firefighters. Adding a fourth firefighter on these units will improve service delivery and enhance firefighter safety. At the conclusion of the three-year grant period the cost of each position will be phased in for Buena Park, San Clemente, and Tustin. These cities will not incur the full cost of the positions until FY 2024/25.

No application can be submitted during the current award period of 2018-2021.

**Assistance to Firefighters Grant (AFG)****Applications Closes:** February 2, 2018

This FEMA grant funds the purchase of firefighting vehicles and safety equipment. Safety equipment applications are accepted for tools, personal protective equipment (PPE), training, wellness and fitness, and station modifications. Departments may submit one application and an additional “regional application,” in partnership with one or more other fire departments.

**2018 Application**

RFOTC Training Ground: The Operations Department has identified the upgrade and replacement of equipment at OCFA’s Regional Fire Operations Training Center (RFOTC) as a priority. The project is in the early phase of construction planning to expand north of the current training tower and drill grounds. The project will include installation of new fire simulators, training “props,” and technology. OCFA will seek funds to upgrade our current training ground simulators and equipment. At this time, an estimated cost figure has not been determined for the total project. Staff is researching eligible training equipment items under AFG that can be purchased and installed within the project timeframes.

**California Office of Traffic Safety (OTS)****Application Closes:** January 30, 2018

This grant provides federal funds through California's OTS for local agencies that provide emergency medical services. For local fire agencies, the grant typically prioritizes applications to purchase extrication tools that will free traffic accident victims more quickly and speed patient treatment. OCFA's 2017 application to replace ten-year-old extrication tools on 15 OCFA fire trucks was not funded.

In October, the OCFA Board approved the purchase of new extrication tools. Staff will submit an application to replace high pressure air bag kits used in conjunction with extrication tools. The air bags are specifically designed to lift vehicles, and will cost approximately \$225,000 to replace on all OCFA fire trucks.

**FEMA Fire Prevention and Safety Grant****Application Opens:** Spring 2018

Categories under this grant cover general education/awareness, arson investigation, and fire code education/awareness. Projects that may be considered include supporting OCFA's ongoing smoke alarm installations, and wildland safety efforts. OCFA is in need of 600 smoke alarms designed for hearing impaired individuals. These alarms provide a visual strobe light notification, and a physical vibration designed to wake individuals when an audible smoke alarm is activated.

**Urban Area Security Initiative****Application Opens:** January 2018

The Urban Area Security Initiative is designed to address the unique planning, equipment, training and exercise needs of high-threat, high-density urban areas. The Urban Area Working Group, comprised of Orange County law enforcement and fire representatives tasked with prioritizing and awarding funds, has awarded the OCFA \$587,170 in FY 2018/19 to support the purchase of a Forward Looking Infrared Radar (FLIR) camera. The estimated one-time cost to OCFA for the installation, electronics, and software to mount and run the camera is \$575,166.

A FLIR camera is used on helicopters to sense infrared radiation helping pilots to fly at night, in fog, or to detect warm objects against a cooler background. During search and rescue operations FLIR allows the use of Night Vision Goggles to identify search and rescue victims and aerial obstacles. FLIR allows flight crew's the ability to locate firelines through smoke or vegetation canopies and identify spot fires that can be extinguished by ground crews or targeted water drops.

**Drowning Prevention**

No specific applications or grantors are identified currently; however, staff is continuing to support efforts of the Orange County Task Force on Drowning Prevention to seek donations to support the marketing of drowning prevention campaign materials. In addition, the task force is considering the development of mock-drowning curriculum materials and swim lessons as possible projects for 2018. As needed, OCFA staff will support the development of grant applications.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Board of Directors Meeting  
January 25, 2018

Agenda Item No. 3B  
Consent Calendar

**FY 2017/18 Mid-Year Financial Report**

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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
Tricia Jakubiak, Treasurer	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Deborah Gunderson, Budget Manager	<a href="mailto:deborahgunderson@ocfa.org">deborahgunderson@ocfa.org</a>	714.573.6302

**Summary**

This item is submitted to provide a mid-year financial update on the FY 2017/18 budget in accordance with the OCFA's Fiscal Health Plan.

**Prior Board/Committee Action**

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

At its regular January 10, 2018, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Direct staff to continue monitoring the budget for further refinement and return in March 2018 for approval of the proposed FY 2017/18 budget adjustments.

**Impact to Cities/County**

Annual increases for cash contract cities are estimated at 4.5% for FY 2018/19 and 4.5% for FY 2019/20 (excluding catch-up provision) based on the Five-Year Financial Forecast.

**Fiscal Impact**

Financial impact has been presented in the attached report.

**Background**

The OCFA's Fiscal Health Plan 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 2018/19 budget issues, to the extent they are known at this time.

***FY 2017/18 Budget Review***

Significant changes have occurred since the budget was adopted in May 2017, including increases to budgeted beginning fund balance, increase in property tax revenue, increases in both revenue and expenditures related to assistance-by-hire emergency responses, Firefighter Medical Trust review, as well as all approved adjustments to-date such as Carryover and new grant funds. These changes are detailed in the attached Mid-Year Financial Report.

**Attachment(s)****Mid-year Financial Report**

Exhibit 1 – 2017 Trend Analysis -- Forecast to Actual Comparison

Exhibit 2 – Updated Five-Year Financial Forecast (Summary & Detail)

Exhibit 3 – Five-Year Financial Forecast Assumptions



# ORANGE COUNTY FIRE AUTHORITY

## Mid-Year Financial Report

### January 2018

In March 2017, 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 below.

### **ECONOMIC OUTLOOK**

Property tax is OCFA's largest source of revenue. Although strong growth is still expected in 2018, the December 2017 Chapman Economic and Business Review forecast estimates a decline in housing appreciation rates from 6.4% in 2017 to 5.2% in 2018. Higher mortgage rates will tend to reduce housing affordability. A tight supply of unsold housing is expected to maintain upward pressure on pricing. Also in 2018, building permit activity is expected to increase by 11%, and be comprised of a greater portion of multi-family than single-family construction.

### **CURRENT FISCAL YEAR FINANCES**

The following are estimated changes to the General Fund budget that are needed since the FY 2017/18 budget was adopted in May 2017. Overall, the proposed changes in the General Fund result in a revenue increase of \$15.5 million and an expenditure increase of \$23.2 million. Of the \$23.2 million in expenditure increases, \$5.7 million are ongoing costs that we anticipate to recur in future annual budgets, and \$17.5 million are one-time expenses for FY 2017/18 only. Furthermore, of the \$23.2 million in expenditure increases, \$16.2 million are cost neutral since they are offset by corresponding sources of revenue or offset by allocation of fund balance as established by existing policies. These adjustments are further described below:

#### **FY 2017/18 Revenue Adjustments - \$15.5 million**

- Property Taxes:** Based on secured tax billings provided by the Auditor/Controller, preliminary projections indicate an approximate \$1.4 million increase over budget. **\$1,442,254**
- Assistance by Hire/Emergency Incident Costs:** Assistance by Hire (ABH) is the term used when OCFA responds to incidents outside our area of responsibility, on a reimbursement basis. Current year reimbursable incident activity is approximately \$10.4 million fiscal year-to-date. This amount is comprised of actual reimbursement requests that have been billed, and an estimate of the amount yet to be billed. Staff will continue to monitor and adjust this figure throughout the remainder of the year. **\$10,437,295**
- Firefighter Medical Trust Review:** The 2016 Firefighter Medical Trust review has been completed. An excess fund balance in the amount of \$2,275,829 was credited to OCFA, to be used as a payment to the Retiree Medical trust per the Firefighter Medical Agreement. A corresponding expenditure adjustment is also proposed to appropriate the payment. **\$2,275,829**



**Miscellaneous:** This category of revenue adjustments includes the following: SAFER grant proceeds; receipt of bankruptcy proceeds; updates to cash contract city station maintenance charges; witness fees, insurance settlements, sale of surplus and other incidental miscellaneous revenues. **\$1,382,257**

**FY 2017/18 Expenditure Adjustments - \$23.2 million**

**Assistance by Hire/Emergency Incident Costs:** As mentioned under Revenue, an adjustment of approximately \$10.4 million is needed for out-of-county responses, primarily in the overtime/backfill category, but also for response-related supplies. This amount is comprised of actual reimbursement requests that have been billed, and an estimate of the amount yet to be billed. Staff will continue to monitor and adjust this figure throughout the remainder of the year. **\$10,437,295<sup>1</sup>**

**Retiree Medical Trust:** As described above, this expenditure adjustment is needed to appropriate the payment from the Firefighter Medical Trust to the Retiree Medical Trust, per terms of the new Firefighter Medical Agreement. **\$2,275,829<sup>1</sup>**

**Additional UAAL payment from General Fund Surplus:** In March of 2017, the Board approved an update to the Financial Stability Budget policy, requiring the calculation of General Fund Surplus at mid-year and directing that the surplus be divided half to the CIP funds and half for additional pay-down of pension liability. This fiscal year, the calculation calls for a payment of \$2,785,224 (equaling 50% of the General Fund Surplus) to OCERS to pay-down pension liability. **\$2,785,224<sup>1</sup>**

**CAL FIRE Augmentation and SRA Fire Prevention Funds:** Appropriations in this category use funding received from CAL FIRE for projects intended to help carry out their mission. Projects include roadside clearance, the purchase/refurbishment of a crew bus, road grader, supplies for the Santiago crew, printing of wildland urban interface plans, a dozer trailer and a wildfire camera project, working in conjunction with San Diego Gas and Electric. **\$311,260<sup>1</sup>**

**Reimbursement to City of Irvine from Maruchan funds:** Each year, Maruchan Inc. donates funds to OCFA to be used in the City of Irvine on public safety related expenses. The City has planned projects for these funds including communications equipment for their Mobile Command Post and bi-directional amplifiers. **\$438,428<sup>1</sup>**

**Actions to Reduce Force Hiring:** This category is comprised of updates to salary, employee benefits, and supplies for OCFA's efforts to reduce force hires in the Safety ranks. The largest cost of \$4,645,688 reflects reversal of a portion of the \$8.1 million in salary savings from vacant positions that was assumed during budget development. With the unfreezing of over 50 firefighter positions in July and the emphasis on hiring this fiscal year, the assumed amount of salary savings is not being realized. Uniforms and personal protective gear for Academy 46 recruits are also included in this category. **\$5,069,481**

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<sup>1</sup> This expenditure increase is cost neutral, offset by a corresponding revenue source or offset by a fund balance allocation that is pre-established by existing policies.



**Classification and Compensation Actions:** This category is comprised of several updates to salary and employee benefits related to class and compensation studies approved by the Executive Committee earlier this fiscal year. Actions include revisions to the HR Analyst series, revisions to the EMS Nurse Educator I and II classifications, conversion of a part-time HR Analyst to full-time, benefits for the grant-funded Department of Homeland Security liaison position, and backfill costs for the temporary reassignment of a fire apparatus engineer to the HazMat program. **\$232,259**

**Supplies/Equipment/Professional Services:** This category includes funding for needed equipment and professional services which were unknown, or for which costs have increased since budget development. These include the Independent Review Panel on the Canyon Fires, fire chief recruitment services, public affairs consulting services, 4" hose for Wildland Urban Interface Engines, paramedic accreditation costs, Narcan and Epi pens, updated tuberculosis testing, hepatitis A vaccines, CPR cards, additional advanced life support gear, Zoll Monitor antennae repairs, overhaul of a helicopter rescue hoist, and carbon monoxide gas monitors. **\$639,080**

**Miscellaneous:** This expenditure category includes miscellaneous increases to the budget for: Flight Safety International training; Huey helicopter maintenance; various Information Technology licenses, software, equipment and contract increases; fire station 6 kitchen remodel; adjustment to budgeted grant programs; movement of US&R tenant improvement budget to the correct CIP fund; and funding for increased Department of Industrial Relations user funding assessment. **\$562,565**

**Interfund Borrowing:** At the time of budget development, staff was in the process of analyzing if OCFA's cash flows needs could met with interfund borrowing in lieu of issuing a TRAN. When the budget was adopted in May, the analysis had been completed and the Board approved interfund borrowing as our cash flow management mechanism in FY 2017/18. The money is borrowed from the CIP funds and repaid with interest which is reflected as a cost to the General Fund. **\$493,750**

**General Fund and CIP funds – Beginning Fund Balance and Budget Transfer Adjustment**

- **Budgeted beginning fund balances:** As part of the annual mid-year adjustment, budgeted beginning fund balances will be adjusted in accordance with the FY 2016/17 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 beginning fund balance adjustments for Capital Improvement Funds (CIP) largely result from the timing for completion of projects. Funds for projects that did not get completed were carried-over to FY 2017/18.
- **General Fund Surplus Budget Transfer(s) to CIP Funds:** The update to the Financial Stability Budget Policy revised the timing of the General Fund Surplus budget transfers to the CIP funds. Rather than the transfer occurring at the beginning of the fiscal year, the calculation and resulting transfer occurs at the Mid-year Budget Adjustment. Further the policy now directs that the surplus be divided with half going to the CIP funds and the other half being used for additional pay-down of pension liability. The policy provides flexibility should the CIP funds be over, or underfunded, allowing more or less than 50% be transferred in years where it is needed. In this fiscal year we are transferring 50% of the general fund surplus, amounting to \$2,785,224 to the General Fund CIP fund.





- **Fund 123 – Fire Stations and Facilities:** The revenue budget in this fund will be adjusted to reflect receipt of \$151,922 in bankruptcy loss recovery funds. An expenditure adjustment of \$100,000 is needed to move the budget for the US&R tenant improvements from the General Fund to this fund, where it is most appropriately accounted for.
- **Fund 124 – Communications and Information Systems:** The revenue budget for this fund will be adjusted to reflect receipt of \$256,484 in bankruptcy loss recovery funds. The expenditure budget is being reduced by \$1,389,781 to reflect the timing of the Integrated Fire Prevention project. The funds will be re-budgeted in the next fiscal year when the project is expected to commence.
- **Fund 133 – Fire Apparatus:** Bankruptcy proceeds in the approximate amount of \$157,392 will be recognized in this fund.
- **Fund 190 – Self Insurance:** An expenditure adjustment in the amount of \$4.3 million is needed to match the cash flow timing of workers' compensation payments this fiscal year. Note that this adjustment is not an increase in workers' compensation expenses, it is only the cash flow timing of payments being made against expenditures which were previously recorded with funding already set-aside in the workers' compensation reserve fund.

### **FUTURE FISCAL YEAR FINANCES**

Significant factors that are anticipated to influence the FY 2018/19 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 to take advantage of an approximately 4.5% discount. This discount has declined in recent years, from 7.25% to 5.8% and now to 4.5%. Although the discount has declined, it still amounts to savings of millions of dollars and is worth taking advantage of.
- **Property Taxes** - Since property tax is the largest source of income for the General Fund at about 64% we have again contracted with Rosenow, Spevacek Group, Inc. (RSG) to update our property tax projections. Updated preliminary information for our FY 2018/19 budget will not be available until February 2018; therefore, in the interim we are continuing to use RSG's prior projection for FYs 2018/19 through 2021/22 of the Five-Year Financial Forecast.
- **Retirement Rates** - The Orange County Employees Retirement System (OCERS) Board has adopted retirement rates for FY 2018/19. Compared to rates used in the Five-Year Cashflow Forecast, employer rates for general employees increased by 0.52% and rates for the safety employees increased by approximately 1.16% after removing the impact of the additional pension liability contributions OCFA has made to OCERS. Consistent with Board direction, we continue to pay the original rates, capturing those savings and increasing payments directly to our unfunded liability.

### **PENDING ISSUES**

- **Tax Legislation** – The tax bill recently passed through Congress and signed by the President includes provisions that lowered the cap on mortgage debt interest deductions from \$1 million to \$750,000. Although current homeowners would not be affected by the lower cap, this cap could potentially impact future real estate transactions in Orange County as median home values approach or exceed





the threshold. In 2015, the median home price in Orange County was \$703,000, according to the 2017 Chapman economic forecast. Economists believe this change will put downward pressure on prices as well as sales. This change, as well as the newly introduced cap to the deduction for state and local taxes, may affect property tax revenue growth in future years.

- **TRAN** – After review and consultation with our financial advisors, we concluded a Tax Revenue Anticipation Note (TRAN) issue was not needed for cashflow purposes in the current fiscal year. The determination of whether we will need to issue a TRAN for FY 2018/19 will be made as we get closer to budget development for the next fiscal year. Many factors influence whether we will need to issue a TRAN, including the amount and timing of expenditures towards large capital projects.

## **MONITORING FINANCIAL HEALTH**

### **Financial Forecast**

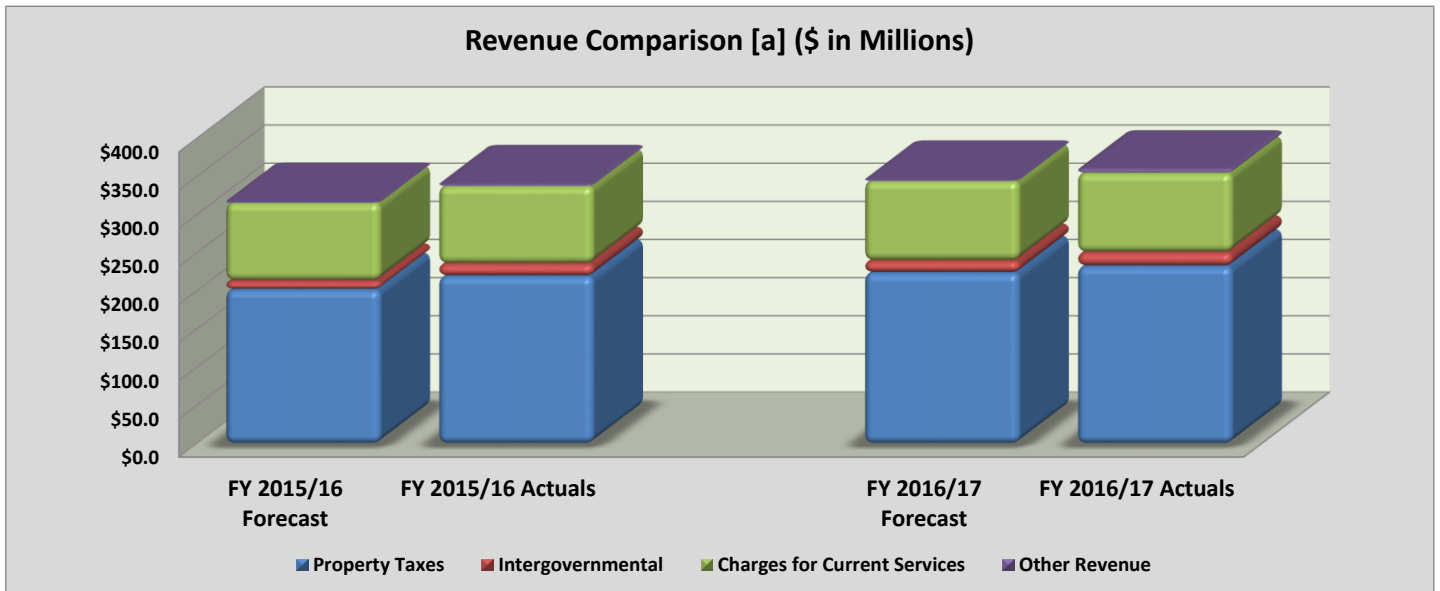
The Fiscal Health Plan directs staff to monitor our financial indicators through frequent updates to the Authority's Five Year Financial Forecast, measuring revenues, expenditures, debt, and committed and uncommitted fund balance. These categories are forecast using all available information, Board actions, and economic conditions (Exhibits 2 and 3).

A trend report has been developed comparing the differences between the forecasted data and actual financial results and is attached to this Review as Exhibit 1.

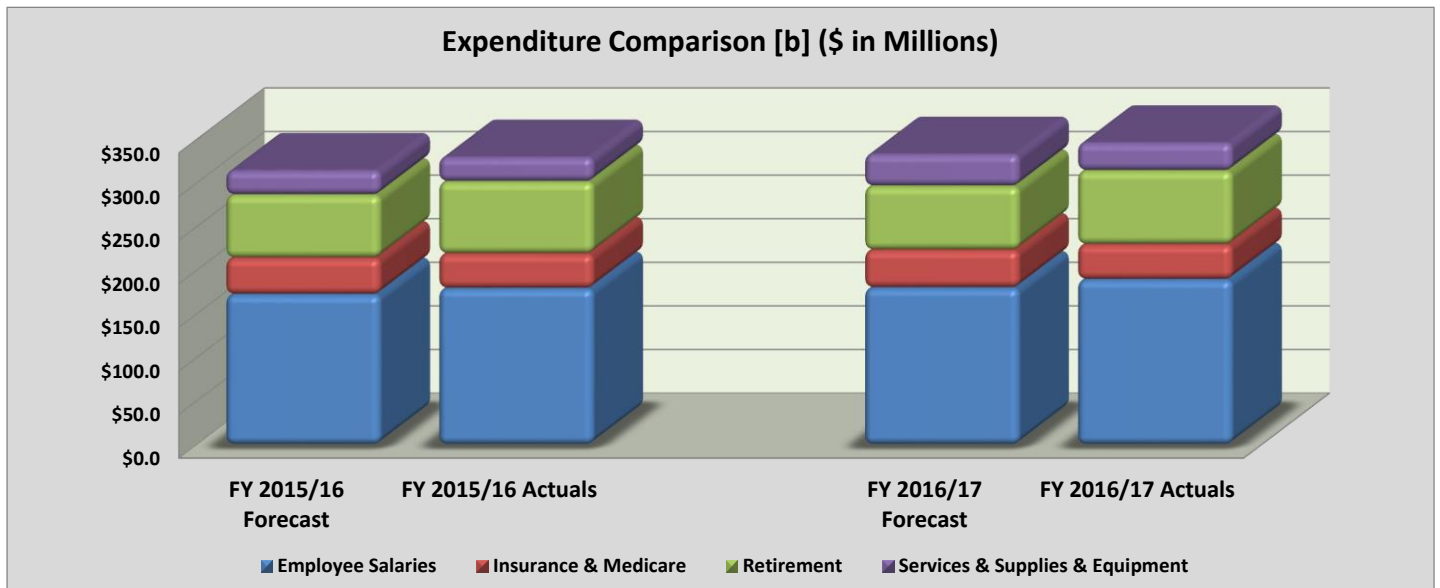
## 2017 Trend Analysis: Summary of 2-Year Forecast vs. Adjusted Actuals

Comparison of 2015/16 Forecast as Presented in 2014/15 Adopted Budget to 2015/16 Actuals  
and

Comparison of 2016/17 Forecast as Presented in 2015/16 Adopted Budget to 2016/17 Actuals



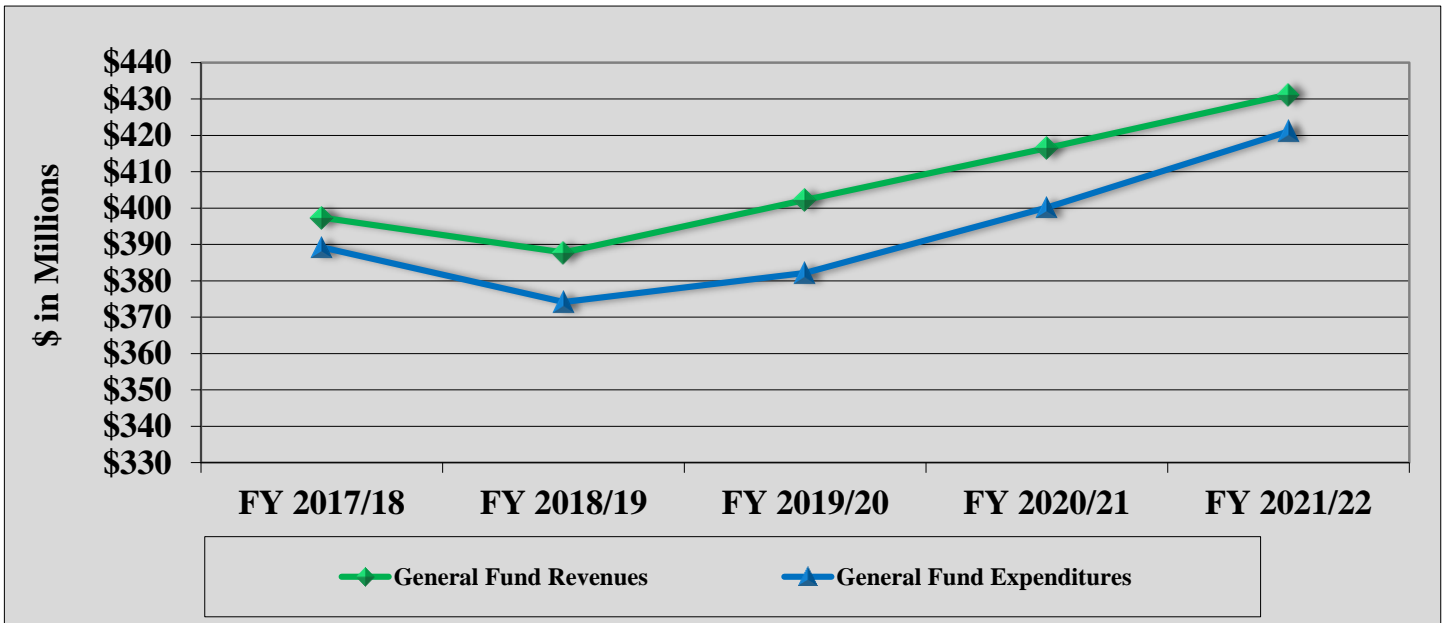
[a] Actual revenue adjusted for one-time sources not forecasted such as assistance by hire revenue, grant revenue, and one-time revenue associated with RDA dissolutions.



[b] Actual expenditures adjusted for one-time items not forecasted such as grant expenditures.

**Scenario 1 - 12/18/17 Segal Study Retirement Rates (7.00% for All Years), 2% Salary Inc. after MOU Expirations**  
**Orange County Fire Authority**  
**Five-Year Financial Forecast**

	<b>Adjusted FY 2017/18</b>	<b>Year 2 FY 2018/19</b>	<b>Year 3 FY 2019/20</b>	<b>Year 4 FY 2020/21</b>	<b>Year 5 FY 2021/22</b>
Beginning Fund Balance	194,017,160	162,003,863	154,292,426	160,533,875	170,866,954
General Fund Revenues	397,339,431	387,779,769	402,262,098	416,493,687	431,251,898
General Fund Expenditures	370,148,634	364,989,924	372,522,236	387,758,071	406,791,651
Paydown of UAAL	19,060,936	9,167,397	9,648,658	12,368,859	14,279,280
Total General Fund Expenditures	389,209,570	374,157,321	382,170,894	400,126,930	421,070,931
<b>Net General Fund Revenue</b>	<b>8,129,861</b>	<b>13,622,449</b>	<b>20,091,204</b>	<b>16,366,757</b>	<b>10,180,967</b>
Less Incremental Increase in 10% GF Op. Cont.	2,559,414	675,457	753,231	1,523,583	1,903,358
<b>General Fund Surplus / (Deficit)</b>	<b>5,570,447</b>	<b>12,946,992</b>	<b>19,337,972</b>	<b>14,843,173</b>	<b>8,277,609</b>
Operating Transfer to GF Cashflow	-	-	-	-	-
Operating Transfer to CIP Funds	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
Paydown of UAAL from General Fund Surplus	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
Draws from GF Fund Balances	(13,174,516)	-	-	-	-
CIP/Other Revenues	20,384,273	24,497,312	28,806,966	25,140,595	23,544,501
CIP/Other Expenses	41,782,467	32,884,206	23,318,748	16,331,100	14,945,343
<b>CIP Surplus / (Deficit)</b>	<b>(21,398,194)</b>	<b>(8,386,894)</b>	<b>5,488,218</b>	<b>8,809,495</b>	<b>8,599,158</b>
<b>Ending Fund Balance</b>	<b>162,003,863</b>	<b>154,292,426</b>	<b>160,533,875</b>	<b>170,866,954</b>	<b>181,369,470</b>



	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>
General Fund Revenues	\$ 397.34	\$ 387.78	\$ 402.26	\$ 416.49	\$ 431.25
General Fund Expenditures	\$ 389.21	\$ 374.16	\$ 382.17	\$ 400.13	\$ 421.07

**Scenario 1 - 12/18/17 Segal Study Retirement Rates (7.00% for All Years), 2% Salary Inc. after MOU Expirations**

	ADJUSTED FY 2017/18	PROJECTED FY 2018/19	PROJECTED FY 2019/20	PROJECTED FY 2020/21	PROJECTED FY 2021/22
<b>A. BEGINNING FUND BALANCE</b>	<b>194,017,160</b>	<b>162,003,863</b>	<b>154,292,426</b>	<b>160,533,875</b>	<b>170,866,954</b>
<b>GENERAL FUND REVENUES</b>					
Property Taxes	243,813,306	257,211,599	266,548,377	276,346,727	286,371,955
State Reimbursements	5,786,668	5,786,668	5,786,668	5,786,668	5,786,668
Federal Reimbursements	100,000	100,000	100,000	100,000	100,000
One-Time Grant/ABH/RDA	12,618,674	-	-	-	-
Community Redevelopment Agency Pass-thru	9,842,993	10,610,959	11,128,457	11,633,730	12,216,561
Cash Contracts	96,596,269	101,512,739	106,124,970	110,088,037	114,200,240
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	664,714	1,225,672	1,241,493	1,266,706	1,304,655
Other Revenue	4,364,357	954,199	954,199	893,885	893,885
Unencumbered Fund Balance for Paydown of UAAL	13,174,516	-	-	-	-
<b>TOTAL REVENUES</b>	<b>397,339,431</b>	<b>387,779,769</b>	<b>402,262,098</b>	<b>416,493,687</b>	<b>431,251,898</b>
<b>GENERAL FUND EXPENDITURES</b>					
New Positions for New Stations	-	2,015,962	2,062,659	5,848,805	13,834,880
Employee Salaries	201,824,693	209,680,789	213,383,452	217,987,953	222,700,871
Retirement - Regular Annual Payments	72,264,556	77,239,336	79,496,174	83,999,682	86,469,050
Retirement - Paydown of UAAL (Rate Savings)	1,886,420	3,167,397	1,648,658	2,368,859	3,279,280
Retirement - Paydown of UAAL (Unencumb. Funds)	13,174,516	-	-	-	-
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)	3,000,000	5,000,000	7,000,000	9,000,000	11,000,000
Workers' Comp Transfer out to Self-Ins. Fund	12,687,256	13,035,532	13,383,808	13,749,498	15,191,983
Other Insurance	28,159,824	29,258,718	30,984,533	32,822,927	34,782,157
Medicare	2,772,582	2,928,587	2,933,983	2,991,829	3,050,817
One-Time Grant/ABH Expenditures	10,789,359	-	-	-	-
Salaries & Employee Benefits	347,559,206	343,326,320	351,893,267	369,769,552	390,309,039
Services & Supplies/Equipment	40,526,445	30,726,809	30,170,309	30,060,309	30,050,309
New Station/Enhancements S&S Impacts	-	104,192	107,318	297,069	711,584
One-Time Grant Expenditures	1,123,919	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>389,209,570</b>	<b>374,157,321</b>	<b>382,170,894</b>	<b>400,126,930</b>	<b>421,070,931</b>
<b>NET GENERAL FUND REVENUE</b>	<b>8,129,861</b>	<b>13,622,449</b>	<b>20,091,204</b>	<b>16,366,757</b>	<b>10,180,967</b>
<b>B. Incremental Increase in GF 10% Contingency</b>	<b>2,559,414</b>	<b>675,457</b>	<b>753,231</b>	<b>1,523,583</b>	<b>1,903,358</b>
<b>GENERAL FUND SURPLUS / (DEFICIT)</b>	<b>5,570,447</b>	<b>12,946,992</b>	<b>19,337,972</b>	<b>14,843,173</b>	<b>8,277,609</b>
<b>C. Operating Transfers (from) Operating Contingency</b>	-	-	-	-	-
Transfers to CIP Funds					
Transfers to CIP from General Fund Surplus	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
Total Operating Transfers to CIP	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
One-Time Paydown of UAAL from General Fund Surplus	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
<b>Capital Improvement Program/Other Fund Revenues</b>					
Interest Earnings	1,932,592	2,405,653	2,372,956	2,538,031	2,739,291
Cash Contracts	1,310,005	1,349,306	1,389,785	1,431,479	1,474,423
Developer Contributions	1,103,400	1,016,577	1,774,683	-	-
Workers' Comp Transfer in from GF	12,687,256	13,035,532	13,383,808	13,749,498	15,191,983
Miscellaneous	565,796	216,748	216,748	-	-
Operating Transfers In	2,785,224	6,473,496	9,668,986	7,421,587	4,138,804
Total CIP, W/C, Other Revenues	20,384,273	24,497,312	28,806,966	25,140,595	23,544,501
<b>Capital Improvement Program/Other Fund Expenses</b>					
Fund 12110 - General Fund CIP	3,111,074	1,685,700	1,648,700	2,200,700	1,100,100
Fund 123 - Fire Stations and Facilities	10,014,115	7,525,000	2,500,000	-	500,000
Fund 124 - Communications & Information Systems	4,250,516	6,484,148	2,006,511	-	-
Fund 133 - Fire Apparatus	11,435,499	8,444,811	7,770,818	4,116,012	2,668,040
Sub-Total CIP Expenses	28,811,204	24,139,659	13,926,029	6,316,712	4,268,140
Fund 171 - SFF Entitlement	549,651	-	-	-	-
Fund 190 - WC Self-Ins. (Cashflow Payments per Actuary)	12,421,612	8,744,547	9,392,719	10,014,388	10,677,203
Total CIP, W/C, Other Expenses	41,782,467	32,884,206	23,318,748	16,331,100	14,945,343
<b>D. CIP SURPLUS/(DEFICIT)</b>	<b>(21,398,194)</b>	<b>(8,386,894)</b>	<b>5,488,218</b>	<b>8,809,495</b>	<b>8,599,158</b>
<b>ENDING FUND BALANCE (A+B+C+D) [a]</b>	<b>162,003,863</b>	<b>154,292,426</b>	<b>160,533,875</b>	<b>170,866,954</b>	<b>181,369,470</b>
Fund Balances					
Operating Contingency (10% of Expenditures)	35,823,536	36,498,992	37,252,224	38,775,807	40,679,165
Reserve Exceeding Required Contingency	18,097,645	18,097,645	18,097,645	18,097,645	18,097,645
Reserve for Cash Contract City Station Maintenance	405,000	405,000	405,000	405,000	405,000
Donations & Restricted Funds	3,897,614	3,897,614	3,897,614	3,897,614	3,897,614
Committed - SFF Cities Enhancement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Improvement Program	25,956,829	11,807,909	11,853,991	15,376,387	17,785,707
Fund 190 - WC Self-Insurance	76,823,240	82,585,266	88,027,401	93,314,500	99,504,338
Total Fund Balances	162,003,863	154,292,426	160,533,875	170,866,954	181,369,470

[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 2017/18 budget, and the Five-Year Capital Improvement Plan approved by the Board of Directors on May 25, 2017 form the basis for this financial forecast with the following adjustments:

- Updated total beginning fund balance from the FY 2016/17 audited financial statements
- All approved budget adjustments that have occurred since the adoption of the budget
- Proposed FY 2017/18 mid-year adjustments

## **General Fund Revenues:**

- ***Secured Property Taxes*** – Rosenow Spevacek Group’s Final 2017 Report provides the growth factors assumed for the forecast. The following are projections of current secured property tax growth:

FY 2017/18	5.61%
FY 2018/19	5.88%
FY 2019/20	3.87%
FY 2020/21	3.91%
FY 2021/22	3.85%

- ***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 have increased the FY 2017/18 adopted budget by \$7.5M for one-time increases in grants and assistance by hire.
- ***Community Redevelopment Agency Pass-thru Revenue*** – RSG completed a preliminary Redevelopment Area Excess Revenue Analysis of pass-thru and residual revenues from the dissolution of the redevelopment agencies dated 4/4/2017. 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 3.75% and 4.50% per year. 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** – This revenue is estimated to remain flat, pending any changes approved by the Board.
- **Interest Earnings** – Assumes an annual return of 1.50% for FY 2017/18, and 2.25% for FY 2018/19 through FY 2021/22.
- **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:
  - ✓ **New Positions for New Stations** – The forecast assumes that four post positions for a Station 20 Truck will be unfrozen 6/1/2018 (the remaining prorated cost not included in the FY 2017/18 budget is added in FY 2018/19). Vehicles will be in service beginning 7/1/2020 for Station 67, 1/1/2021 for Station 68, and 7/1/2021 for Station 69.
  - ✓ **Employee Salaries** – Projected salaries reflect increases consistent with the approved labor group MOUs. In addition, annual salary increases of 2% projected for the years that follow expiration of the current MOUs.
  - ✓ **Retirement** – Retirement costs reflecting the projected employer retirement rates are based on the OCERS provided rates for FY 2017/18 that do not include the 3-year phase-in of the impact of a change in economic assumptions on employer contribution rates for Safety Members (“3-Year Phase-In”). The projected employer rates in the outer years of the forecast are based on a study prepared by Segal Consulting and provided by OCERS on 12/18/2017. FY 2018/19 rates are approximately 1.16% higher for safety and 0.52% higher for non-safety compared to FY 2017/18 rates.

<b>FY</b>	<b>Safety</b>	<b>General</b>	<b>Source</b>
2017/18	50.78%	33.80%	Effective rates for FY 2017/18 provided by OCERS without 3-Year Phase-In
2018/19	51.95%	34.62%	Per Segal Study dated 12/18/2017. Effective rates after removing impact of additional OCFA UAAL contributions, assuming 7.00% rate or return for all years.
2019/20	53.55%	35.72%	
2020/21	55.45%	37.22%	
2021/22	55.95%	37.62%	

*Note: employer rates shown in the table above do not include the portion of the employee rate that is paid by OCFA*

FY 2017/18 includes a mid-year adjustment of \$13.2M for accelerated paydown of OCFA’s Unfunded Actuarial Accrued Liability (UAAL) from unencumbered fund balance carried over from FY 2016/17.

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) of \$1.9M in FY 2017/18 and continuing in different amounts until payment is complete.
  - Contributing an additional \$1M each year starting in FY 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.
- ✓ **Workers' Compensation** – FY 2017/18 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 February 2017 Study.
- ✓ **Other Insurance** – Medical insurance rates for firefighters are assumed to remain flat for calendar years 2017 and 2018 and increase by 5% in 2019, 2020, and 2021 per the Health Plan Agreement dated 3/29/2017. For staff members, it is projected to grow by 10% annually. This category also includes \$60,000 for unemployment insurance in FY 2017/18.
- ✓ **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 2017/18.
  - **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).

### **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, unless an exception is triggered, 50% is transferred to the CIP funds and 50% is used to paydown the UAAL as outlined in the Financial Stability Budget Policy approved by the Board on 3/23/2017. 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 1.50% for FY 2017/18, and 2.25% for FY 2018/19 through FY 2021/22.
- ***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 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 which reflects a reduction of \$1M used to paydown the UAAL per the Snowball Plan.
- ***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 past the current year.
- ***Self-Insurance Fund (Fund 190)*** – Self-Insurance fund expenditures are based on projected payments in the Rivelle Consulting Services Feb 2017 Workers' Compensation Actuarial Study.

### **Fund Balances:**

- ***Operating Contingency*** – Reflects policy of 10% of the General Fund expenditures each year (less one-time expenditures and UAAL 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  
**AGENDA STAFF REPORT**

Board of Directors Meeting  
January 25, 2018

Agenda Item No. 3C  
Consent Calendar

**Amendment to Board Rules of Procedure**

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**Contact(s) for Further Information**

Lori Zeller, Assistant Chief  
Business Services Department

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714.573.6020

Sherry Wentz, Clerk of the Authority

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**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 dates of regular Human Resources Committee (HRC) meetings.

**Prior Board/Committee Action**

**Human Resources Committee Recommendation: *APPROVE***

At its January 5, 2016, meeting, the HRC approved meeting on a quarterly-basis during the months of January, April, July, and October. The Board of Directors subsequently concurred with the HRC's request, and approved an amendment to its Board Rules and Procedures to memorialize the change.

At its special December 19, 2017, meeting, the HRC reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Adopt the proposed Resolution entitled 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, which changes the regular quarterly meetings of the Human Resources Committee from January, April, July, and October to February, May, August, and November.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

There is no fiscal impact associated with the recommended action.

**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.

***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 allows the HRC to establish its regular meeting dates/time. Staff has noticed that two of the HRC's regular meetings have often been scheduled adjacent to holidays. For 2018, these meeting dates are January 2 and July 3. In the past when these conflicts occurred the meetings were cancelled and/or rescheduled to another date. Staff is suggesting that the HRC consider changing the months of its regular quarterly meetings from January, April, July, and October to February, May, August, and November. In doing so, it would eliminate future meetings from the potential conflict associated with the New Year and 4<sup>th</sup> of July holidays, and would also save staff's time in cancelling and rescheduling meetings.

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. 2018-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 January 28, 2016; 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 25<sup>th</sup> day of January 2018.

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ELIZABETH SWIFT, CHAIR  
OCFA Board of Directors

ATTEST:

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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: [01/28/1601/25/18](#))

- 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 during the months of ~~January, April, July, and October~~ February, May, August, and November 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](http://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 25, 2018**

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

**Amendment to 2018 Board Meeting Schedule**

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**Contact(s) for Further Information**

Lori Zeller, Assistant Chief  
Business Services Department

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

714.573.6020

Sherry Wentz, Clerk of the Authority

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

714.573.6041

**Summary**

This item is submitted for approval of an amended regular meeting schedule for the Board of Directors for calendar year 2018.

**Prior Board/Committee Action**

At its September 28, 2017, meeting the Board adopted Resolution No. 2017-06 to temporarily expand the dates of the regular Board of Directors' meetings for calendar year 2018, due to the upcoming labor contract negotiations.

**RECOMMENDED ACTION(S)**

Adopt the proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING AN AMENDMENT TO THE REGULAR MEETING DATES OF THE BOARD OF DIRECTORS FOR CALENDAR YEAR 2018.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Approximately \$3,000 to cover the costs associated with an additional Board stipend payment, meal service, and postage. There are adequate funds in the current budget to cover these costs.

**Background**

The recruitment for a new Fire Chief is underway, and it is anticipated that the final selection and negotiation process will take place in March 2018. Due to recent legislation, consideration of an agency's executive officer employment agreement must take place at a regular meeting. OCFA staff recommends that the Board, again, expand its regular 2018 Meeting Schedule to include an additional regular meeting on March 15, 2018, for this purpose. This additional meeting would enable the Authority flexibility to consider the employment agreement should it be ready for its approval by this date. The remainder of the temporarily expanded meeting schedule will remain intact.

If the employment agreement negotiations have not concluded by this date, in keeping with the Board Rules of Procedure, the Board Chair has the discretion to cancel any meeting should there be a lack of business.

**Attachment(s)**

Proposed Resolution

**RESOLUTION NO. 2017-XX**

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY  
BOARD OF DIRECTORS AUTHORIZING AN AMENDMENT TO THE  
REGULAR MEETING DATES OF THE BOARD OF DIRECTORS FOR  
CALENDAR YEAR 2018**

*WHEREAS*, the Orange County Fire Authority was established on March 1, 1995; and

*WHEREAS*, a Board of Directors was established; and

*WHEREAS*, as such, a schedule of the dates, times, and location of the Regular meetings of the Board is required, and

*WHEREAS*, in anticipation of the appointment of the new OCFA Fire Chief, it has been determined that it would be in the Board's interest to amend its 2018 Meeting Schedule to include an additional regular meeting on Thursday, March 15, 2018, should the appointment/employment agreement negotiations be concluded and ready for the Board's consideration.

*NOW, THEREFORE BE IT RESOLVED* that the Board of Directors of the Orange County Fire Authority does hereby adopt the attached exhibit establishing meeting dates for calendar year 2018.

*PASSED, APPROVED and ADOPTED* this 25<sup>th</sup> day of January 2018.

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ELIZABETH SWIFT, CHAIR  
Board of Directors

ATTEST:

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

## 2018 MEETING SCHEDULE



### ORANGE COUNTY FIRE AUTHORITY Board of Directors

#### MEETING DATES

January 25

February 22

**March 15**

March 22

April 26

May 24

June 28

July 26

August 23

September 27

October 25

November 15\*

December – Dark

**\*Meeting held a week in advance,  
due to the upcoming Thanksgiving holiday.**

#### MEETING TIME – PER CURRENT BOARD RULES OF PROCEDURE

##### LOCATION OF MEETINGS:

RFOTC – Board Room  
1 Fire Authority Road  
Irvine, California 92602  
(714) 573-6000

**(Red identifies proposed additional meeting.)**



Due to new accounting and budget policies, CAL FIRE staff requested revisions to the previously approved agreement that went into effect July 1, 2017, and ends on June 30, 2020. This new agreement references funding at a current fiscal year “base level.” Regardless of this revised agreement, there will likely be increased payments to OCFA, due to growth in State Budget support for CAL FIRE, new greenhouse grant program funds, and staffing requests to prepare for out-of-county wildfire assistance. CAL FIRE has now been restricted from including future year funding increases in the agreement until funds are actually encumbered through approvals of future State budgets.

This three-year agreement provides the ability to bill CAL FIRE for OCFA-owned aircraft, fire engines, specialized equipment, and handcrews deployed on SRA fires. In addition, this agreement provides the OCFA the ability to seek reimbursement from other agencies for fire suppression resources provided on an assistance-for-hire basis.

The Orange County Board of Supervisors approved the original agreement at its August 22, 2017, meeting. OCFA staff will coordinate with County staff to have this revised agreement approved by the Board of Supervisors.

OCFA General Counsel has reviewed and approved the attached agreements substantially in the form attached.

**Attachment(s)**

1. Revised State Fire Protection Agreement
2. Assignment of State Fire Protection Agreement

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
 STD. 213 (Rev 06/03)

AGREEMENT NUMBER 7CA03780
REGISTRATION NUMBER

- This Agreement is entered into between the State Agency and the Contractor named below  
 STATE AGENCY'S NAME  
 Department of Forestry and Fire Protection (CAL FIRE)  
 CONTRACTOR'S NAME  
 County of Orange / Assignee Orange County Fire Authority
- The term of this Agreement is: 07/01/17 through 06/30/20
- The maximum amount of this Agreement is: \$ 20,362,206.00  
 Twenty Million, Three Hundred Sixty Two Thousand, Two Hundred Six Dollars and 00/100 cents
- The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement:

STD 213, Attachment 1 – Additional Signatures	1 page(s)
Exhibit A – Scope of Work	1 page(s)
Attachment 1 – Recitals	1 page(s)
Attachment 2 – Detailed Scope of Work	5 page(s)
Exhibit B – Budget Detail and Payment Provisions	2 page(s)
Exhibit C* – General Terms and Conditions	GTC 04/2017
Exhibit D – Special Terms and Conditions	2 page(s)
Exhibit E – Additional Provisions	1 page(s)
Exhibit F – Gray Book	1 page(s)
Exhibit G – Operating Plan	1 page(s)

Items shown with an Asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.  
 These documents can be viewed at [www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx](http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx)

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)		
COUNTY OF ORANGE / Assignee: ORANGE COUNTY FIRE AUTHORITY		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS P.O. Box 57115 Irvine, CA 92619-7115		
STATE OF CALIFORNIA		
AGENCY NAME		
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CAL FIRE)		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING JOE TYLER, DEPUTY DIRECTOR, FIRE PROTECTION		
ADDRESS P.O. BOX 944246, SACRAMENTO, CA 94244-2460		<input type="checkbox"/> Exempt per _____

STD. 213, Attachment 1  
(Additional Signatures)

***STD213A***  
***ADDITIONAL SIGNATURES***

SOUTHERN REGION DEPARTMENT OF  
FORESTRY AND FIRE PROTECTION

By:

\_\_\_\_\_  
Signature

**Thomas Porter**  
**Region Chief**  
**CAL FIRE**

Date \_\_\_\_\_

APPROVED AS TO CONTENT:

By:

\_\_\_\_\_  
Signature

**Chairman**  
**Orange County Board of**  
**Supervisors**

Date \_\_\_\_\_

Signed and certified that a copy of this document has  
been delivered to the Chair of the Board per G.C. §  
25103, Reso. No. 79-1535

Attest:

\_\_\_\_\_  
Printed Name

APPROVED AS TO FORM:

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Date: \_\_\_\_\_  
**Orange County Counsel**



**Exhibit A  
(Scope of Work)**

1. Contract agreement between California Department of Forestry and Fire Protection (CAL FIRE) and County of Orange/Assignee Orange County Fire Authority to provide services as described herein:

The terms and conditions of this agreement have been previously reviewed and approved by the Department of General Services (DGS) during prior agreement reformat and rewrites. The completed agreement signed by CAL FIRE (STATE) and County of Orange/Assignee Orange County Fire Authority (COUNTY) provides wildland fire protection to State Responsibility Area (SRA) lands within COUNTY pursuant to Public Resources Code (PRC) Section 4129. Agreement also provides for COUNTY to assist STATE outside of COUNTY on a reimbursable basis when requested by STATE. Agreement contains a hold over clause for time required to obtain agency review and approvals.

2. The services shall be performed at SRA within the County.
3. The services shall be provided during any 24 hour period, Monday through Sunday, year round.
4. The project representatives during the term of this agreement will be:

Direct all operating inquiries to: State Agency: Dept. of Forestry and Fire Protection	Contractor: County of Orange
Name: Deputy Director, Fire Protection	Name: Fire Chief, Orange County Fire Authority
Phone: (530) 224-2462	Phone: (714) 573-6010
Fax: (530) 224-2496	Fax: (714) 368-8800

State Agency: Dept. of Forestry and Fire Protection	Contractor: County of Orange
Attention: Deputy Chief, Contract Counties	Attention: Fire Chief, Orange County Fire Authority
Address: 2524 Mulberry Street Riverside, CA 92501	Address: 1 Fire Authority Road Irvine, CA 92603
Phone: (951) 320-6102	Phone: (714) 573-6010
Fax: (951) 320-6395	Fax: (714) 368-8800

Direct all inquiries to:

State Agency: Dept. of Forestry and Fire Protection	Contractor: County of Orange
Section/Unit: Business Services-Contracts	Section/Unit: Orange County Fire Authority
Attention: David Geisen	Attention: Financial Manager Jim Ruane
Address: P.O. Box 944246, Sacramento, CA 94244-2460	Address: P.O. Box 51985 Irvine, CA 92619-1985
Phone: (916) 445-0891	Phone: (714) 573-6304
Fax: (916) 323-1888	Fax: (714) 368-8834

5. This AGREEMENT, made between the County of Orange, through its Board of Supervisors, hereinafter called COUNTY, and the State of California, Department of Forestry and Fire Protection (CAL FIRE), through duly appointed, qualified, and acting officers, hereinafter called STATE. Where the standard clauses, for example in Exhibit C, use the word "Contractor" that word shall mean COUNTY as COUNTY is used in this agreement.

**EXHIBIT A, Attachment 1  
(Recitals)**

The STATE and the COUNTY agree that the background of this Agreement is as follows:

- A. There are within COUNTY areas designated by the State Board of Forestry and Fire Protection as State Responsibility Areas for fire protection through authority vested in STATE by Section 4125, of the Public Resources Code.
- B. STATE, under authority of Public Resources Code Section 4141, may assign responsibility to a Federal Forest Agency within COUNTY for the prevention and suppression of all fires on State Responsibility Areas within Federal Forest Agency's Direct Protection Areas.
- C. Designated State Responsibility Areas in Federal Forest Agency's Direct Protection Areas are delineated on maps on file with STATE in Sacramento, California.
- D. COUNTY, by authority of Public Resources Code Section 4129, has elected to assume responsibility for the prevention and suppression of all fires on State Responsibility Areas (SRA) within COUNTY'S SRA Protection Areas (CPA).
- E. Designated State Responsibility Areas in COUNTY'S SRA Protection Areas are delineated on maps on file with STATE in Sacramento, California.
- F. STATE recognizes the capability and efficiency of the COUNTY fire protection organization now maintained by the COUNTY and its qualification to provide the fire protection services described within this agreement.
- G. COUNTY has the responsibility for providing life and property fire protection in areas designated as State Responsibility Areas within COUNTY SRA Protection Areas.
- H. Under the Budget Act, and in accordance with the STATE'S Fire Protection Plan, there is annually appropriated to CAL FIRE, funding for wildland fire protection in said COUNTY.
- I. Under the authority of Section 4135, of the Public Resources Code, monies paid by STATE to COUNTY shall be expended by COUNTY for the sole purpose to fund the fire suppression resources outlined in the "Gray Book", incorporated by reference and marked Exhibit F, of this Agreement, for fire prevention, pre-suppression forces preparedness, and suppression of all fires on State Responsibility Areas within COUNTY'S SRA Protection Areas; and STATE, by authority of Section 4475, of the Public Resources Code, may enter into contracts for prescribed burning on wildlands.

**EXHIBIT A, Attachment 2  
(Detailed Scope of Work)**

**1. State and County Responsibilities**

The STATE and the COUNTY agree that the following work shall be done under this agreement:

- A. STATE shall supply to COUNTY, the "Gray Book", which outlines and describes the organization to be funded by the STATE to provide fire protection services on a total of approximately 106,584 acres of State Responsibility Area within COUNTY'S SRA Protection Areas.
- B. COUNTY shall provide to STATE a plan of operations and organization for the COUNTY department contemplated hereunder on forms approved by the STATE, a copy of which is attached marked Exhibit G of this Agreement, which shall show that COUNTY organization is capable of meeting the requirements set forth in the "Gray Book."
- C. STATE shall jointly develop and annually review an Operating Plan with the COUNTY that will document those factors specific to that COUNTY. The factors may include specific dispatching procedures, pre-approved initial attack dispatch levels, agency fire protection organization, reimbursement criteria, and other elements agreed to by the STATE and the COUNTY.
- D. The STATE'S designated representative shall annually examine, on-the-ground with the COUNTY'S designated representative, the facilities and services the COUNTY has made available in order to ascertain whether the terms of the agreement have been met. Notwithstanding the foregoing, COUNTY shall permit inspection, at any time by representatives of STATE, of crews, vehicles, property and other components of the organization established under the terms of this Agreement.
- E. Should the operations or organization of COUNTY, in reasonable judgment of the STATE, fail to meet the standard of protection required by this agreement, the STATE shall so inform COUNTY and take any reasonable action to maintain the required level of fire prevention and suppression capability.
- F. For the purpose of effecting mutual aid in times of fire emergency, either STATE or COUNTY may contribute without cost to the other, such persons and facilities as the contributing party may be willing and able to contribute, and which the receiving party may be willing to accept and direct; this provision shall not abrogate the terms and conditions specified in any other written agreement entered into by the parties hereto, for the specific purpose of exchanging fire control forces, either on a voluntary or upon a pay basis.
- G. Rewards as provided in Public Resources Code Section 4417, may be paid by STATE from funds not included in this contract upon recommendation of the Chief of the COUNTY'S department.
- H. COUNTY shall furnish adequate supervision for said fire protection through a qualified and duly appointed Chief Officer of the department providing services contemplated hereunder. When it becomes necessary to contract for the services of other entities to suppress a wildland fire on State Responsibility Area within COUNTY'S SRA Protection Areas, STATE agrees to accept its proportionate level of financial responsibility for those contracts and services required to protect State Responsibility Areas within COUNTY'S SRA Protection Areas, provided that the COUNTY obtains prior approval from STATE and exercises reasonable care and due diligence in the selection and the supervision of the contracting entities.

**EXHIBIT A, Attachment 2  
(Detailed Scope of Work)**

- I. COUNTY shall submit, when required by the STATE, reports relating to fire occurrence and history, law enforcement, personnel status, and fire prevention activity.
- J. COUNTY shall annually appropriate and expend a sum not less than the amount established annually in the STATE'S Budget Act for said COUNTY for the purpose of preventing and suppressing forest fires as defined in Section 4103, of the Public Resources Code, on the designated State Responsibility Areas within COUNTY'S SRA Protection Areas during the term of this agreement.
- K. COUNTY shall comply with applicable rules and regulations for prescribed burning of wildlands as described in Sections 4461 to 4480, of Public Resources Code.

**2. Emergency Operations**

When COUNTY resources, equipment, and/or personnel are assigned to a State Responsibility Area wildland fire within COUNTY SRA Protection Area, costs over and above the "Gray Book" allotment may be reimbursed by STATE. Such reimbursements will be in accordance with the following provisions:

- A. COUNTY may use and bill STATE for COUNTY funded engine companies, bulldozers, handcrews, aircraft, specialized equipment, and overhead personnel when used to protect STATE interests. Under certain conditions as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement, COUNTY may also bill STATE for STATE-funded COUNTY engine companies and bulldozers. These reimbursements to COUNTY will be from the STATE Emergency Fund and shall be in addition to the annual payment amount described in Exhibit B, Paragraph 1.A., of this Agreement.

The following conditions shall apply for reimbursement of COUNTY engine companies, bulldozers, aircraft, handcrews, and specialized equipment:

**1) ENGINE COMPANIES**

- (a) STATE shall reimburse COUNTY for engine companies when used on a State Responsibility Area wildland fire within the COUNTY'S SRA Protection Areas in accordance with criteria for determining reimbursement eligibility as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) STATE shall reimburse COUNTY for engine companies that provide move-up and cover to STATE-funded COUNTY stations within the COUNTY when such cover assignments are the result of a State Responsibility Area wildland fire within COUNTY'S SRA Protection Areas. Specific conditions for approval of move-up and cover assignments shall be outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (c) Reimbursement of COUNTY engine companies shall be based on COUNTY rates on file with STATE at time of initial dispatch.

**EXHIBIT A, Attachment 2  
(Detailed Scope of Work)**

- (d) County engines billed to STATE must be identified by an incident order and request number and the associated cost; such costs shall be limited to engine, officer, operator, and crew.

**2) BULLDOZERS**

- (a) STATE shall reimburse COUNTY for COUNTY bulldozers when used on a State Responsibility Area wildland fire within COUNTY'S SRA Protection Areas in accordance with criteria for determining reimbursement eligibility as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) Payment of County bulldozers, transports, and operators shall be based on COUNTY operating rates on file with STATE at time of initial dispatch.
- (c) County bulldozers billed to STATE must be identified by an incident order and request number and the associated cost; such costs shall be limited to dozer transport and operator, and dozer and operator.
- (d) COUNTY shall provide STATE a list of bulldozers, size, model, and identification number, which shall be subject to this agreement. These shall be included in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.

**3) AIRCRAFT**

- (a) STATE shall reimburse COUNTY for COUNTY aircraft when used on a State Responsibility Area wildland fire within COUNTY SRA Protection Areas in accordance with criteria for determining reimbursement eligibility as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) Reimbursement of COUNTY aircraft shall be based on COUNTY operating rates on file with STATE at time of initial dispatch.
- (c) STATE shall pay aircraft pilots at COUNTY rate.
- (d) STATE shall pay for one air tactical officer accompanying a COUNTY fixed-wing aircraft and one crew member assigned to each COUNTY helicopter at the COUNTY rate.
- (e) COUNTY aircraft billed to STATE must be identified by an incident order and request number and the associated cost.
- (f) COUNTY shall provide STATE a list of aircraft by make, model and aircraft identification number, which shall be subject to this agreement. These shall be included in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.

**EXHIBIT A, Attachment 2  
(Detailed Scope of Work)**

**4) SPECIALIZED EQUIPMENT**

- (a) STATE shall reimburse COUNTY for COUNTY specialized equipment when used on a State Responsibility Area wildland fire within COUNTY SRA Protection Areas—in accordance with criteria for determining reimbursement eligibility as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) For the purpose of this Agreement, Specialized Equipment shall include but is not limited to dozer tenders, helitenders, water tenders, communications units, and mobile kitchens or food service units. Other kinds of specialized equipment may be eligible for reimbursement if authorized by STATE.
- (c) Reimbursement of COUNTY specialized equipment shall be based on COUNTY operating rates on file with STATE at time of initial dispatch.
- (d) COUNTY specialized equipment billed to STATE must be identified by an incident order and request number and the associated cost; such cost shall be limited to the cost of the equipment usage and equipment operator.

**5) HAND CREWS**

- (a) STATE shall reimburse COUNTY for COUNTY hand crews when used on a State Responsibility Area wildland fire within COUNTY'S SRA Protection Areas in accordance with criteria for determining reimbursement eligibility as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) When the California Department of Corrections and Rehabilitation or other State Agency pays the base salary of a hand crew, including COUNTY fire department supervisors, correctional officers and inmates, then STATE shall only pay those costs which exceed the basic salary of the crew (e.g. overtime and incidental operating expenses) accrued on the emergency.
- (c) The STATE shall pay only for additional COUNTY personnel needed as crew strike team leaders to a limit of one strike team leader per crew strike team as defined in Incident Command System (ICS) standards for a crew strike team and for one technical specialist-crews per incident.

**6) OVERHEAD PERSONNEL**

- (a) STATE shall reimburse COUNTY for COUNTY overhead personnel when used on a State Responsibility Area wildland fire within the COUNTY'S SRA Protection Areas in accordance with criteria for determining reimbursement eligibility as outlined in the State/County Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.
- (b) Reimbursement of COUNTY Overhead Personnel shall be based on COUNTY rates on file with STATE at the time initial dispatch.

**EXHIBIT A, Attachment 2  
(Detailed Scope of Work)**

**B. NOTIFICATION**

- 1) Whenever COUNTY expects payment for services under the provisions of this paragraph, COUNTY must notify STATE of the commitment of any of these resources that have been pre-approved for use as an element of initial attack and so documented in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement. This notification must occur in a timely manner so that an appropriate audit trail can be established.
- 2) For those resources employed after initial attack, notification will occur when the request for approval of use is made to STATE.

- C. STATE shall reimburse COUNTY for COUNTY resources (equipment and personnel) when ordered by STATE or COUNTY in support of a special staffing pattern in accordance with conditions for approval of a special staffing pattern as outlined in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.

**3. Assistance for Hire**

- A. COUNTY resources (equipment and personnel) requested directly by STATE for an out-of-county assignment will be reimbursed as Assistance-for-Hire for actual costs incurred by COUNTY.
- B. For any State Responsibility Area wildland fire where costs are incurred pursuant to the terms of this AGREEMENT, STATE and COUNTY will comply with the processes and procedures for incident billing established in the STATE/COUNTY Operating Plan described in Exhibit A, Paragraph 1.B. and 1.C., of this Agreement.

**EXHIBIT B**  
**(Budget Detail and Payment Provisions)**

**1. Invoicing and Payment Provisions**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the STATE shall annually pay to COUNTY that amount which is set forth in the STATE'S budget for each fiscal year involved as the STATE'S contribution to the support of the organization maintained by COUNTY for the prevention and suppression of wildland fires on lands described herein. The total amount payable by STATE to COUNTY for Gray Book-County Budget Detail (Gray Book) shall not exceed the amount specified on STANDARD FORM 213, Item 3, during the term of this agreement. This amount shall not include payments to the COUNTY for COUNTY resources used to suppress state responsibility fires under conditions set forth in Exhibit A, Paragraphs 2, A, 1) through 6) of this Agreement.
- B. COUNTY shall request payment in an amount not to exceed the sum designated in paragraph A above in the manner described hereinafter.
- C. COUNTY shall prepare and submit "Gray Book" invoices to STATE monthly, quarterly, semi-annually, or annually at COUNTY'S option, in arrears after STATE has certified that such services have been satisfactorily provided in accordance with this Agreement, during the period covered by said invoice. The final statement for any fiscal year covered by this Agreement shall be submitted no later than sixty days following the end of that fiscal year. "Gray Book" invoices shall include the Agreement Number and shall be submitted in triplicate in arrears to:

California Department of Forestry and Fire Protection  
Southern Region  
ATTN: Deputy Chief, Contract Counties  
2524 Mulberry St., Riverside, CA 92501

- D. In the event that the STATE during the term of this Agreement increases salary, augments staffing, or other expense items, having the effect of increasing such cost, the "Gray Book" may be amended to reflect such increase provided that funds have been appropriated and are available for such purpose. Similarly, in the event that the STATE receives a budget reduction having the effect of decreasing such cost, the "Gray Book" may be amended to reflect such decrease. In the event no appropriation is made for the purpose of this Agreement, the obligations of the parties to each other under this Agreement shall cease and this Agreement shall become null and void.

**2. Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.



**EXHIBIT B**  
**(Budget Detail and Payment Provisions)**

**3. Prompt Payment Clause**

Upon receipt of a properly submitted, undisputed invoice, STATE shall pay COUNTY within forty-five (45) days, or automatically calculate and pay the appropriate late payment penalties as specified in Government Code, Chapter 4.5, Section 927. In the event of an emergency, as defined in Section 927.11, late payment penalties may not apply. Specific to STATE, if an invoice from a business under contract with STATE becomes subject to late payment penalties during the annually declared fire season, then the required payment approval date shall extend 30 calendar days beyond the initial 45-day period. The total shall include the current applicable CAL FIRE Administrative Rate.

**"GRAY BOOK" FUNDING INFORMATION**

County of Orange/California Department of Forestry and Fire Protection (CAL FIRE)

FISCAL YEAR	FUNDING SOURCE	AMOUNT
2017/2018	General Fund	\$6,042,328.00
	GGRF	\$745,074.00
2018/2019	General Fund	\$6,042,328.00
	GGRF	\$745,074.00
2019/2020	General Fund	\$6,042,328.00
	GGRF	\$745,074.00
AGREEMENT TOTAL		\$20,362,206.00

**EXHIBIT D**  
**(Special Terms and Conditions)**

**1. Excise Tax**

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. STATE will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

**2. Settlement of Disputes**

In the event of a dispute, within ten (10) days of discovery of the problem contractor shall file a "Notice of Dispute" with:

California Department of Forestry and Fire Protection (CAL FIRE)  
Attention: Contracts Manager  
P.O. Box 944246  
Sacramento, CA 94244-2460

Within ten (10) days of STATE receiving contractor's notice, the contracts manager or designee shall advise contractor of the findings and recommend a method to resolve the dispute. Decision of the contracts manager or designee shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the bid proposal.

**3. Right to Terminate**

Either party may terminate this Agreement at any time by giving a minimum of 12 months notice to the other party. In the event of termination, STATE shall pay Contractor for all costs and un-cancelable obligations incurred to the date of termination up to but not exceeding the maximum amount payable.

**4. Potential Subcontractors**

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the STATE and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the STATE for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the STATE'S obligation to make payments to the Contractor. As a result, the STATE shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**5. Evaluation of Contractor**

Performance of the Contractor under this Agreement will be evaluated. The evaluation shall be prepared on Contract/Contractor Evaluation Sheet (STD 4), and maintained in the Agreement file. For consultant agreements, a copy of the evaluation will be sent to DGS, Office of Legal Services, if it is negative and over \$5,000.

**EXHIBIT D**  
**(Special Terms and Conditions)**

**6. Agency Liability**

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the STATE shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

**7. Force Majeure**

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failures of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of God such as earthquakes, floods, and other natural disasters such that performance is impossible.

**8. Contractor Name Change**

Contractor shall provide a written notice to the STATE at least thirty (30) days prior to any changes to the Contractor's current legal name.

**EXHIBIT E  
(Additional Provisions)**

**1. Holding Over**

- A. In the event STATE or COUNTY decides not to renew this Agreement, STATE or COUNTY shall provide the other a minimum of 12 months written notice of such intention. If no such notice is received, and a new Agreement has not been executed, this Agreement shall be automatically extended on the same terms and conditions as contained herein, together with amendments if any, until the earlier of:
1. The date on which a new renewal Agreement is fully executed, or
  2. Termination of this holdover Agreement by the mailing by either COUNTY or STATE of 12 months written notice to the other party.
- B. Renewal Agreements shall be retroactive to the end of the term of the present Agreement. Any payments made during a holdover period shall, if necessary, be promptly adjusted to comply with payments called for in the new Agreement. Such adjustments shall occur within 60 days after approval of the new Agreement by DGS. COUNTY shall invoice STATE for any billing correction made necessary because of changes in the contract rates.
- C. The effectiveness of this Exhibit E, Section 1, is conditional upon the lawful appropriation and availability of STATE funding for COUNTY'S services during the term of this Agreement.

**2. Indemnification**

Paragraph 5 of Exhibit C, General Terms and Conditions, does not apply because it is superseded by this Paragraph.

COUNTY agrees to indemnify, defend and hold harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by COUNTY in the performance of this Agreement.

Pursuant to Government Code Section 925 et seq., STATE agrees to indemnify, defend and hold harmless the COUNTY, its officers, agents and employees from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by STATE in the performance of this Agreement.

**3. Indemnification for Vegetation Management Projects**

The STATE agrees to indemnify, defend, and hold harmless the COUNTY, its agents, officers and employees, from and against any and all liability expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, arising solely out of performance by the COUNTY of approved vegetation management projects undertaken as part of fire prevention activities under this Agreement.

Notwithstanding the terminology of Public Resources Code Sections 4119, 4153, 4423, and 4436, the COUNTY shall not act as an agent of the STATE but shall exercise the powers granted in those sections independently as authorized by Public Resources Code Section 4129.

Paragraph 15 of Exhibit C, does not apply to this Agreement because the services provided in this Agreement were not obtained by means of a competitive bid.

**EXHIBIT F  
(Gary Book)**

The "Gray Book" referenced in Exhibit A, Attachment 1, Paragraph I, is hereby incorporated by reference and made part of this agreement as if attached hereto.

**EXHIBIT G**  
**(Operating Plan)**

The Operating Plan provided by the COUNTY, in accordance with Exhibit A, Attachment 2, Paragraph 1.B and 1.C of this Agreement, is hereby incorporated by reference and made a part of this Agreement as if attached hereto.

## Attachment E

**ASSIGNMENT OF STATE FIRE PROTECTION AGREEMENT**

This Assignment is made and entered into on the date approved by the Board of Supervisors or when fully executed by the parties, whichever occurs later, and is by and between the County of Orange, a political subdivision of the State of California, hereinafter referred to as "County," and the Orange County Fire Authority, hereinafter referred to as "Authority," with County and the Authority sometimes referred to as "Party," or collectively as "Parties."

WHEREAS, the Orange County Fire Authority, a joint powers authority, was formed as of March 1, 1995, between the County of Orange (County) and various cities in Orange County for the provision of fire services; and

WHEREAS, pursuant to Public Resources Code sections 4129 and 4133, the State of California Department of Forestry and Fire Protection (State) may contract with counties to provide fire protection services in State Responsibility Areas (SRAs) within a county, but the State is not authorized to contract directly with the Orange County Fire Authority for such services; and

WHEREAS, State and County entered into Agreement No. 7CA \_\_\_\_\_ on \_\_\_\_\_, 1995, and

WHEREAS, State and County are entering into Agreement (Agreement) for wildland fire protection services in SRAs within the county; and

WHEREAS, the parties desire that the Agreement be assigned to the Orange County Fire Authority, and the State concurs with the assignment.

NOW, THEREFORE, the Parties mutually agree as follows:

1. County hereby delegates to Authority the duty to perform all obligations specified in the Agreement and the plans and operating procedures for administering said Agreement. County hereby assigns to Authority all of its rights under the Agreement, including the right of County to request and receive payment and reimbursement directly from State for any services provided under the Agreement. Authority hereby accepts the foregoing delegation and assignment.
2. Authority agrees to honor the terms and conditions of the Agreement and the plans and operating procedures for administering the Agreement.
3. Pursuant to Public Resources Code section 4135, the money paid by State under the Agreement shall be expended for fire protection and suppression.
4. Authority agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to Authority's performance under the Agreement. Provided, however, that nothing in this Assignment waives or limits any immunities Authority may have with respect to claims made by third parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year dated below.

ORANGE COUNTY FIRE AUTHORITY  
A California Joint Powers Authority

COUNTY OF ORANGE  
A political subdivision of the State of  
California

By: \_\_\_\_\_  
Elizabeth Swift, Chairwoman  
Orange County Fire Authority  
Board of Directors

By: \_\_\_\_\_  
Michelle Steele, Chairwoman  
Orange County Board of  
Supervisors

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST

By: \_\_\_\_\_  
Sherry A.F. Wentz, CMC  
Clerk, Orange County Fire Authority

By: \_\_\_\_\_  
Robin Stieler  
Clerk of the Board of Supervisors  
County of Orange, California

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:  
County Counsel

By: \_\_\_\_\_  
David Kendig,  
General Counsel OCFA

By: \_\_\_\_\_  
Mark Servino  
Supervising Deputy County Counsel

Date: \_\_\_\_\_

Date: \_\_\_\_\_





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

**Board of Directors Meeting**  
**January 25, 2018**

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

**Resolution Authorizing Fire Chief to Execute a Cooperative Agreement for  
the Loan of Federal Excess Personal Property**

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**Contact(s) for Further Information**

Brian Young, Assistant Chief  
Operations Department

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

714.573.6014

Robert Acosta, Division Chief  
Division 1

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

714.891.8239

**Summary**

This item is submitted at the request of the State of California the Resources Agency Department of Forestry (CDF) and Fire Protection for approval of a proposed Resolution authorizing the current Fire Chief to execute an agreement to accept the Loan of Federal Excess Personal Property (FEPP).

**Prior Board/Committee Action**

At its November 17, 2011, meeting the Board of Directors approved Resolution No. 2011-16 authorizing the Fire Chief, or his designee, to execute the Cooperative Agreement for the Loan of Federal Excess Personal Property between the State of California Department of Forestry and Fire Protection and the Orange County Fire Authority (OCFA).

**RECOMMENDED ACTION(S)**

Adopt the proposed Resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS AUTHORIZING APPLICATION FOR FEDERAL EXCESS PERSONAL PROPERTY IN ACCORDANCE WITH UNITED STATES FOREST SERVICE COOPERATIVE FORESTRY ASSISTANCE ACT (CFAA) OF 1978 authorizing the Fire Chief, or his designee, to execute the Cooperative Agreement for the Loan of Federal Excess Personal Property between the State of California Department of Forestry and Fire Protection and the Orange County Fire Authority.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

The State has been approved as an agent of the U.S. Forest Service for the purpose of administering the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313) Rural Fire Protection Program, hereinafter referred to as CFAA. The control of timber, grass, and wildland fires in and adjacent to suburban areas are essential to an effective forest fire control program. To participate in the program, agencies must actively engage in the prevention and suppression of all fires in and

adjacent to suburban areas. The CFAA provides for the loan of FEPP available for use by the Cooperator to carry out this function if additional property is available. In 2011, per CDF protocol, it has formalized this program, and has requested the OCFA execute a Cooperative Agreement for the Loan of Federal Excess Personal Property.

Since 1994, the OCFA has gained the benefits and participated in the FEPP by acquiring vehicles, small tools, and machinery such as drill presses, work benches, small forklifts, etc. that have been determined to be Federal Government surplus.

In 1995, the OCFA was in the process of deciding to terminate the contract for helicopters through Evergreen and starting its own program. Through the acquisition of Vietnam era, FEPP helicopters from the Federal Government through the State of California, the OCFA was able to begin building its own helicopter program.

Currently, the OCFA still possesses and operates the two FEPP helicopters (HC 3 and HC 4). Maintenance is performed on these helicopters utilizing FEPP tools and parts. This five-year agreement will allow OCFA to continue to operate and maintain these two FEPP Helicopters.

It is at the request of the State of California Resources Agency Department of Forestry and Fire Protection that the Cooperative Agreement for the Loan of Federal Excess Personal Property under the United States Forest Service Cooperative Forestry Assistance Act of 1978 be signed by OCFA's current Fire Chief. All current terms and conditions remain unchanged.

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

1. State of California Resources Agency Department of Forestry and Fire Protection Cooperative Agreement for the Loan of Federal Excess Personal Property under the United States Forest Service Cooperative Forestry Assistance Act of 1978
2. Proposed Resolution

**AGREEMENT #: 990016 & 17**

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF FORESTRY AND FIRE PROTECTION

COOPERATIVE AGREEMENT FOR THE LOAN OF  
FEDERAL EXCESS PERSONAL PROPERTY (FEPP)  
Under the United States Forest Service Cooperative Forestry Assistance Act (CFAA) of 1978

This agreement is entered into by and between

THE STATE OF CALIFORNIA  
DEPARTMENT OF FORESTRY AND FIRE PROTECTION

AND

**ORANGE COUNTY FIRE AUTHORITY**

This agreement for the **LOAN** of Federal Excess Personal Property (FEPP) through the US Forest Service made and entered into this       day of       , **20** , by and between the State of California acting by and through the Director of the Department of Forestry and Fire Protection, hereinafter called the **STATE**, and Orange County Fire Authority hereinafter called **COUNTY**, covenants as follows:

- A. WHEREAS, the State has been approved as an agent of the US Forest Service for the purpose of administering the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313) Rural Fire Protection Program, hereinafter referred to as CFAA, and
- B. WHEREAS, the control of timber, grass and wild land fires in, and adjacent to, suburban areas is essential to an effective forest fire control program, and
- C. WHEREAS the County is actively engaged in the prevention and suppression of all fires in and adjacent to suburban areas, and
- D. WHEREAS, the CFAA provides for the loan of FEPP available for use by the County to carry out this function if additional property is available, and
- E. WHEREAS, it has been determined to be advantageous to the STATE in the proper discharge of its responsibilities, to make certain FEPP available to the County.

NOW, THEREFORE, it is mutually agreed that, effective as the date shown above:

1. The STATE will **LOAN** to the County FEPP described in **Attachment A** under the following terms and conditions:
  - A. FEPP primary use must be 90% for fire. The Forest Service FEPP Program is not intended for Urban Safety and Rescue (USAR), medical or hazardous responses on a daily basis.
  - B. All such FEPP loaned shall be for an indefinite period of time, unless County is negligent of program regulations. The agreement may be terminated by either party after giving notice 180 days in advance of such termination to the other party.
  - C. Ownership shall remain with the US Forest Service and vehicle must be registered within thirty (30) days of taking possession, with DMV. Registered owner shall be the County and Lien Holder to all vehicles and rolling stock shall be registered as USDA Forest Service, PO Box 944246, Sacramento, CA 94244-2460. *FEPP aircraft must be acquired only for fire protection and may not be acquired to solely support the Forest Service or other Federal Agencies. Acquisitions and disposal of FEPP aircraft must be approved by General Services Administration (GSA), Pacific Rim Region, (FSH 3109.12, chapter 40).*



## AGREEMENT #: 990016 & 17

- D. The County shall complete a resolution of incorporation or non-incorporation, or a statement for their governing board approving participation, **and** proof of insurance in the form of an insurance policy or a self-insured statement on Board of Supervisors letterhead for all agreements having rolling stock or aircraft. Drivers shall take the necessary equipment training and have a valid California operator license to operate the loaned vehicle(s). In the case of FEPP aircraft, pilots must possess a valid FAA pilot certificate with the appropriate aircraft category rating and at least a commercial license. A pilot must be current in the aircraft category for night flight or carrying required crewmembers. *Registration of aircraft with the FAA: only those aircraft that are or will be operational. Registration of FEPP aircraft must be approved by the FEPP National Program Manager (FSH 3109.12, chapter 40).*
- E. Ownership of all accessories, tools, light bars, sirens and equipment which is added to the loaned property remains with the County and must be removed prior to return of the property to the US Forest Service. Parts that are removed and replaced with modified, upgraded, or superseding parts at the expense of the agency operating the vehicle, must either be returned or otherwise previously accounted for, to the satisfaction of the State or Federal agency if the vehicle is returned due to termination of this agreement. The latter does not include those items changed due to routine maintenance or less than \$5,000.00 (accountable property) in current market value.
- F. The County shall paint all rolling stock to match the department equipment and apply the department logo.
- G. The County shall identify all accountable property with a National Finance Center (NFC) property tag, (AG number) provided by your Sacramento Headquarters FEPP Unit, so as to identify and trace it as Federal owned property. *All aircraft parts must be identified with a Federal Identification Number.*
- H. The County shall be responsible for the proper care, maintenance, security and storage of the property. In the case of aircraft that means maintenance according to the appropriate military maintenance documentation at a minimum. Every effort to use commercial aviation best industry practices should be made and those returning an aircraft to service must possess a valid FAA mechanics certificate appropriate to the work being performed or be in the employ of an FAA repair station which is authorized by the FAA to complete the type of maintenance being performed. Although FAA certificate numbers are not required to document work on NON type certificate aircraft, it is required that the maintenance personnel have the training and documentation required for working on certificated aircraft.
- I. Amendments to this agreement must be submitted to your sponsoring unit, listed below, within 30 days of acquisition or disposal of loaned property listed on Attachment A.
- J. FEPP cannot be sold, loaned, traded, cannibalized, modified, transferred or disposed of in any manner without the State and US Forest Service Property Management Officer (PMO) approval. *Items requiring special handling describing disposal of aircraft procedures are outlined in FSH 3109.12, chapter 30, sec. 32, included. Cannibalization procedures for aircraft are identified in the screening and freezing section of FSH 3109.12, sec 41.2, included. Modifications to the frame or structure of an aircraft must be approved by the Forest Service, Assistant Director, Aviation.*
- K. The State and the County shall maintain formal accountability records for all FEPP on loan to the County; such property shall be made available at all times for a physical inventory by State and US Forest Service personnel.
- L. When any FEPP that is loaned to the County hereinafter, is lost, stolen, worn out, not needed or involved in an accident, **CAL FIRE Sacramento FEPP Unit**, located at **1300 U Street, Sacramento, CA 95818**, shall be contacted for proper documentation and handling. *For declassification of an aircraft (which includes lost or destroyed) send a letter to GSA, Aircraft Management Policy Division, Washington, DC, stating detailed information regarding this request, (FSH 3109.12, chapter 40, sec 45.1, included).*

## AGREEMENT #: 990016 & 17


2. In the event that all of, or any one or more pieces of FEPP; provided to the County hereunder assigned, is lost, stolen, sold, damaged, destroyed or unavailable for its purposes intended hereunder, and is clearly established that such assignment or loss occurred while or as a result of a use other than stated in the terms and conditions above, then the State shall have the right and the obligation to retake such FEPP and/or assess the County for damages; if gross negligence is declared, up to the current market value immediately prior to such assignment, loss or destruction, established by the US Forest Service, for each piece of FEPP.
3. In the event of any dispute over FEPP **loaned** equipment or any terms or conditions contained herein, the dispute shall be decided by the State and its decision shall be binding and final.
4. The parties hereto agree that the County, their officers, employees, agents, servants, contractors, volunteers, paid firefighters, and all others acting on behalf of the County, performing under the terms of this agreement, are not acting as officers, employees or agents of the State or the Federal Government.
5. The County agrees to defend, indemnify, save and hold harmless the State as defined herein, and the Department of Forestry and Fire Protection, their officers, agents and employees against any and all claims, demands, causes of action or liability of any kind whatsoever arising out of the acts of the County, its agents or employees in the performance of any function provided for under the terms of this agreement or the use of property furnished.
6. The period of this agreement is for five (5) years from the date of the last signature on page four (4) and entered on page one (1), if no violations or signatory changes occur. The agreement shall be **reviewed** biennially (every two years during mandatory inventory) for compliance by a CAL FIRE Administrative Officer during the physical inventory process and automatically extended if no violations or changes have occurred, not to exceed the 5-year term. *Aircraft Usage Report is due annually in January.*
7. During the 5-year term of this agreement, at the option of the State, it may be terminated for any material breach by the County for any terms herein.
8. The mailing address of the parties hereto, for all notices, payments, repayments or any other activity required or contemplated under the terms of this agreement, except for eventual disposition of property in No 1 are:


CONTRACT COUNTY: Orange County Fire Authority  
Street Address: 1 Fire Authority Road  
Mailing Address: PO Box 57115, Irvine, CA 92619-7115  
City: Irvine                      Zip: 92602  
Telephone: (714) 573-6010  
Email: [COA@OCFA.org](mailto:COA@OCFA.org)

STATE OF CALIFORNIA - DEPARTMENT OF FORESTRY & FIRE PROTECTION  
PO BOX 944246  
SACRAMENTO, CA 94244-2460  
(916) 928-2585

**AGREEMENT #: 990016 & 17**

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement as of the day and year first written above.

<b>CONTRACT COUNTY</b>	
CONTRACT COUNTY NAME:	
ORANGE COUNTY FIRE AUTHORITY	
BY (Authorized Signature): 	DATE SIGNED:
PRINTED NAME AND TITLE OF PERSON SIGNING:	
Patrick McIntosh, Interim Fire Chief	

<b>STATE OF CALIFORNIA</b> <b>Department of Forestry and Fire Protection</b>	
BY (CAL FIRE Director): 	DATE SIGNED:
PRINTED NAME AND TITLE OF PERSON SIGNING:	
Ken Pimlott, CAL FIRE, Director, State Forester, Accountable Officer	

Revised: 12/13/17



**AGREEMENT #: 990016 & 17**

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CAL FIRE)


COOPERATIVE AGREEMENT FOR THE LOAN OF  
FEDERAL EXCESS PERSONAL PROPERTY (FEPP)  
Under the United States Forest Service Cooperative Forestry Assistance Act (CFAA) of 1978

**ATTACHMENT A**

**Orange County Fire Authority**

	ITEM:	SERIAL #:	PROPERTY #
1.	See attached FEPMIS inventory report		
2.			
3.			
4.			
5.			
6.			
7.			

Rev. October 2017

 Place cursor over *Pending* status of an item to view additional information

<div><div><div>Previous</div><div>Show All 45 ▾</div><div>Next</div></div></div>											
Images	Documents	Property#	State Property#	Station	State	FSC	FEPP Type	Creation Date	Quantity	Status	Tracked
<a href="#">✓ 1</a>	<a href="#">✓ 0</a>	<a href="#">AG0001133931</a>		OCFA-STA.18-170018	CA	2330 - TRAILERS	FLOOD LIGHT	December 13, 2013	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001133969</a>		OCFA-STA.16-170016	CA	8145 - SPECIALIZED SHIPPING...	Conex Container	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 1</a>	<a href="#">✓ 0</a>	<a href="#">AG0001135271</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1730 - AIRCRAFT GROUND SERV...	TOW EQUIPMENT	December 13, 2013	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001135272</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1730 - AIRCRAFT GROUND SERV...	TOW EQUIPMENT	December 13, 2013	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325568</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	DRIVE TRAIN MECHANISMS	April 29, 2014	1	ASSIGNED	Y
<a href="#">✓ 4</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325576</a>		OCFA-STA.18-170018	CA	2330 - TRAILERS	LARGE TRAILER, Color: RED	December 13, 2013	1	ASSIGNED	Y
<a href="#">✓ 1</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325602</a>		OCFA-STA.22-170022	CA	8145 - SPECIALIZED SHIPPING...	Conex Container Color: TAN	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325603</a>		OCFA-STA.22-170022	CA	8145 - SPECIALIZED SHIPPING...	Conex Container Color: TAN	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325606</a>		OCFA-STA.16-170016	CA	8145 - SPECIALIZED SHIPPING...	Conex Container Color: TAN	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325615</a>		OCFA-STA.57-170057	CA	8145 - SPECIALIZED SHIPPING...	Conex Container	May 21, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325617</a>		OCFA-STA.42-170042	CA	8145 - SPECIALIZED SHIPPING...	Conex Container Color: TAN	May 21, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325619</a>		OCFA-HEADQUARTERS-170000	CA	8145 - SPECIALIZED SHIPPING...	Conex Container	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325623</a>		OCFA-STA.61-170061	CA	8145 - SPECIALIZED SHIPPING...	Conex Container	June 18, 2014	1	ASSIGNED	Y
<a href="#">✓ 2</a>	<a href="#">✓ 0</a>	<a href="#">AG0001325625</a>		OCFA-STA.34-170034	CA	8145 -	Conex Container	May 20,	1	ASSIGNED	Y



					SPECIALIZED SHIPPING...		2014			
✓ 2	✓ 0	<a href="#">AG0001325627</a>		OCFA-STA.14-170014	CA 8145 - SPECIALIZED SHIPPING...	Conex Container	June 18, 2014	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">AG0001325629</a>		OCFA-STA.61-170061	CA 8145 - SPECIALIZED SHIPPING...	Conex Container Color: TAN	June 18, 2014	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">AG0001327243</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 1615 - HELICOPTER ROTOR BLA...	GEAR BOX	May 19, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001327246</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 1615 - HELICOPTER ROTOR BLA...	Transmission	May 19, 2014	1	ASSIGNED	Y
✓ 3	✓ 0	<a href="#">AG0001327258</a>		OCFA-HEADQUARTERS-170000	CA 3413 - DRILLING & TAPPING M...	DRILL PRESS - TCI 33512	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001327263</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 6130 - CONVERTERS, ELECTRIC...	BATTERY CHARGER, PORTABLE R...	December 13, 2013	1	ASSIGNED	Y
✓ 3	✓ 0	<a href="#">AG0001327290</a>		OCFA-STA.18-170018	CA 3930 - WAREHOUSE TRUCKS & T...	FORKLIFT	December 13, 2013	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">AG0001327298</a>		OCFA-STA.54-170054	CA 2320 - TRUCKS AND TRUCK TRA...	1 1/2 ton stake truck Milea...	May 19, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001327308</a>		OCFA-STA.18-170018	CA 2320 - TRUCKS AND TRUCK TRA...	TRUCK, STAKE, F552 Color: ...	December 13, 2013	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">AG0001327312</a>		OCFA-HEADQUARTERS-170000	CA 3930 - WAREHOUSE TRUCKS & T...	FORKLIFT	December 13, 2013	1	ASSIGNED	Y
✓ 3	✓ 0	<a href="#">AG0001327317</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 3825 - ROAD CLEARING AND CL...	SCRUBBING MACHINE,PAVEMENT,...	August 25, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001327339</a>		OCFA-STA.28-170028	CA 5411 - RIGID WALL SHELTERS	SHELTER Color: TAN	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001477626</a>		OCFA-HEADQUARTERS-170000	CA 3930 - WAREHOUSE TRUCKS & T...	FORKLIFT	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001477633</a>	N4212C	OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 1520 - AIRCRAFT, ROTARY WING	HUEY	December 13, 2013	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">AG0001477634</a>	N4212Y	OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 1520 - AIRCRAFT, ROTARY WING	HUEY	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001477636</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 3930 - WAREHOUSE TRUCKS & T...	FORKLIFT	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001477666</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA 5220 - INSPECTION	INTERFACE GAGE	December 13, 2013	1	ASSIGNED	Y



✓ 2	✓ 0	<a href="#">AG0001493479</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	GAGES AND... 1615 - HELICOPTER ROTOR BLA...	SPIDER,LOWER,MAIN TRANS.	June 18, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001493480</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	SPIDER,LOWER,MAIN TRANS "Re...	June 18, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001493484</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	SPIDER,LOWER,MAIN TRANS "RE...	June 18, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001493489</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	4460 - AIR PURIFICATION EQU...	AIR CLEANER PARTICLE SEPARA...	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001493492</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	4460 - AIR PURIFICATION EQU...	AIR CLEANER PARTICLE SEPARA...	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001494850</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	3040 - MISCELLANEOUS POWER ...	HOUSING,MECHANICAL DRIVE "NEW"	June 18, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001557743</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	ROTOR BLADE	April 29, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001557757</a>		OCFA-STA.54-170054	CA	2320 - TRUCKS AND TRUCK TRA...	TRACTOR	December 15, 2014	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001557771</a>		OCFA-STA.40-170040	CA	2330 - TRAILERS	FLAT BED	April 29, 2014	1	ASSIGNED	Y
✓ 5	✓ 0	<a href="#">AG0001558309</a>		OCFA-STA.43-170043	CA	2320 - TRUCKS AND TRUCK TRA...	TRACTOR	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001558736</a>		OCFA-STA.26-170026	CA	5411 - RIGID WALL SHELTERS	SHELTER, STORAGE, FSC 5411	December 13, 2013	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">AG0001560473</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1520 - AIRCRAFT, ROTARY WING	HUEY	December 13, 2013	1	ASSIGNED	Y
✓ 2	✓ 0	<a href="#">PP0000031587</a>	CA201411	OCFA-HEADQUARTERS-170000	CA	2340 - MOTORCYCLES, MOTOR S...	E-Z-GO MOTORIZED, FLAT-BED ...	April 7, 2016	1	ASSIGNED	Y
✓ 1	✓ 0	<a href="#">PP0000032470</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	GEAR BOX	March 24, 2017	1	ASSIGNED	Y

Previous

Show All 45 ▼

Next



☑ Place cursor over *Pending* status of an item to view additional information

Images	Documents	Property#	State Property#	Station	State	FSC	FEPP Type	Creation Date	Quantity	Status	Tracked
		<a href="#">N/A</a>		OCFA-HEADQUARTERS-170000	CA	3441 - BENDING & FORMING MA...	PROVIDE DESCRIPTION	December 13, 2013	3	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-HEADQUARTERS-170000	CA	5410 - PREFABRICATED AND PO...	BUILDING, PORTABLE	December 13, 2013	3	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-HEADQUARTERS-170000	CA	5411 - RIGID WALL SHELTERS	SHELTER, COMMUNICATIONS	December 13, 2013	17	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-HEADQUARTERS-170000	CA	6625 - ELECTRICAL & ELECTRO...	PROVIDE DESCRIPTION	December 13, 2013	1	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	PROVIDE DESCRIPTION	December 13, 2013	7	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	PROVIDE DESCRIPTION	December 13, 2013	2	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	GEAR BOX	December 13, 2013	6	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	MAIN ROTOR AND ASSEMBLY	December 13, 2013	5	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	4920 - AIRCRAFT MAINTENANCE...	PROVIDE DESCRIPTION	December 13, 2013	1	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	5410 - PREFABRICATED AND PO...	BUILDING, PORTABLE	December 13, 2013	2	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	1615 - HELICOPTER ROTOR BLA...	TAIL ROTOR AND ASSEMBLY	December 13, 2013	4	ASSIGNED	N
		<a href="#">N/A</a>		OCFA-STA.41- AIR OPS (N541FA/N441FA)-170041	CA	5825 - RADIO NAVIGATION EQU...	PROVIDE DESCRIPTION	December 13, 2013	3	ASSIGNED	N

**RESOLUTION NO. 2018-XX**

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY  
BOARD OF DIRECTORS AUTHORIZING APPLICATION FOR  
FEDERAL EXCESS PERSONAL PROPERTY IN ACCORDANCE WITH  
UNITED STATES FOREST SERVICE COOPERATIVE FORESTRY  
ASSISTANCE ACT (CFAA) OF 1978**

*WHEREAS*, there is a need for Federal Excess Personal Property to help fight wildland, rural, structure or other fires in the County of Orange, and

*WHEREAS*, Patrick McIntosh is the Interim Fire Chief of the Orange County Fire Authority.

*NOW, THEREFORE, BE IT RESOLVED*, that the Orange County Fire Authority Board of Directors accepts the agreement between the State of California, Department of Forestry and Fire Protection and the Orange County Fire Authority for the loan of Federal Excess Personal Property, and authorizes Interim Fire Chief Patrick McIntosh to sign the agreement for the Board of Directors.

*PASSED, APPROVED and ADOPTED* this 25<sup>th</sup> day of January 2018.

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ELIZABETH SWIFT, CHAIR  
OCFA Board of Directors

ATTEST:

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



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

**Board of Directors Meeting**  
**January 25, 2018**

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

**Secured Fire Protection Agreement Amendment No. 4 with The Irvine Company regarding Furniture, Fixtures, and Equipment**

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**Contact(s) for Further Information**

Dave Anderson, Assistant Chief  
Support Services Department

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

714.573.6006

Patrick Bauer, Property Manager

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

714.573.6471

**Summary**

This agenda item seeks to authorize the Authority to purchase Furniture, Fixtures, and Equipment necessary for the completion of Fire Station 20 located in the City of Irvine.

**Prior Board/Committee Action**

The OCFA and The Irvine Company (TIC) previously entered into a Secured Fire Protection Agreement (SFPA) on February 11, 2003, regarding the provision of fire safety and emergency medical services for the benefit of residents who will reside within future development areas of property owned by TIC in the City of Irvine and other portions of unincorporated Orange County as described in the SFPA.

The SFPA contemplated the development of one temporary fire station (FS 55) and five permanent fire stations. Fire Station 20 was planned to provide fire services to future TIC developments in Planning Areas (PA) 9 and 40 within the City of Irvine. No temporary site for Fire Station 20 was contemplated or provided for in the agreement, because no infrastructure installation schedule or land use approvals were present at that time. Amendment 1 to the original agreement, dated July 16, 2007, added temporary Fire Station 20 to meet the service demands of the area. Amendment 2, dated March 26, 2009, delayed the timing of the purchase of additional fire apparatus by TIC, as required in the original agreement.

The two prior amendments dealt with the economic slowdown and phased construction plans of TIC. At the July 24, 2014, Board of Directors meeting, Amendment 3 was approved to adjust the agreed upon location, timing of the design, and construction for the permanent Fire Station 20, allowing TIC to fulfill its obligations required by the original agreement. The new location is within 1/2 mile of the existing temporary station location at a site that will allow the OCFA to continue to provide excellent service to the area.

**RECOMMENDED ACTION(S)**

1. Approve and authorize the Fire Chief to execute a proposed amendment to the Secured Fire Protection Agreement with The Irvine Company for the purpose of allowing the Authority to purchase Furniture, Fixtures, and Equipment (FF&E) necessary to furnish Fire Station 20.
2. Authorize Property Manager and Purchasing Manager to purchase items identified on the FF&E spreadsheet for a total not to exceed amount of \$161,424.98.

### **Impact to Cities/County**

Not Applicable.

### **Fiscal Impact**

There is currently \$310,000 budgeted to cover FF&E anticipated for the completion of the fire station. Per Amendment 4 paragraph 3(b) *“Company shall pay to Authority the sum of Five Hundred Forty Thousand Dollars (\$540,000.00) for infrastructure expansion and support for Permanent Station 20 (the “IES Payment”) as required under Section 2.G of the Original Agreement as follows: (i) the first half of the IES Payment (i.e., \$270,000.00) shall be delivered to Authority within ten (10) business days of Authority’s execution of this Amendment, and (ii) the second half of the IES Payment (i.e., \$270,000.00) shall be paid to Authority upon the Fire Chief’s acceptance of Permanent Station 20.”*

### **Background**

Throughout the design of the project and due to continually changing operation needs, additional costs have been incurred by TIC, since the formation of the original agreement from 2003. Specifically, the operational need of the station was modified to include hazardous materials capabilities that added a large classroom, equipment laboratory, a laboratory exhaust hood (requiring additional mechanical and architectural requirements), and an equipment storage room. Although a truck compliment was included in the original agreement, the cost significantly increased due to the modification of the platform to a 100’ Tractor Drawn Aerial. During the construction of the station, a change in the floor plan to incorporate a Battalion Chief was requested after an operational decision to re-align stations in the Divisions. Finally, the station alerting system was modified and upgraded to our new standard Westnet system, as well as additional costs associated with changing the apparatus doors from roll-ups to bi-fold mechanisms. The previous four stations built under this agreement were able to absorb these types of costs associated with owner-directed changes in a discretionary fund included in the original budget established by TIC.

### **Attachment(s)**

Proposed Amendment No. 4 to Secured Fire Protection Agreement with The Irvine Company



## **Amendment No. 4 to Secured Fire Protection Agreement**

This Amendment No. 4 to Secured Fire Protection Agreement ("**Amendment**") is entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between the Orange County Fire Authority, a California joint powers authority ("**Authority**"), and The Irvine Company LLC, a Delaware limited liability company ("**Company**"), successor in interest to The Irvine Company, a Delaware corporation. Company and Authority are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

Whereas, Authority and The Irvine Company previously entered into that certain "Secured Fire Protection Agreement" dated as of February 11, 2003 (the "**Original Agreement**"), regarding the provision of fire safety and emergency medical services (collectively, "**Fire Services**") for the benefit of residents who will reside within future development areas of property owned by Company and its affiliates in the City of Irvine and other portions of unincorporated Orange County as described in the Original Agreement.

Whereas, Company and Authority subsequently entered into that certain Amendment to Secured Fire Protection Agreement dated as of May 24, 2007 (the "**First Amendment**"), under which the Parties addressed various issues relating to the construction of temporary and permanent Fire Station 20 to provide Fire Services to future Company developments in Planning Areas 9 and 40 within the City of Irvine. Temporary Station 20 has been completed and is currently open and operating. Company has paid for the Fire Engine and the Paramedic Van currently in use at Temporary Station 20.

Whereas, due to economic conditions and uncertainty as to timing of development by Company and its affiliates of land within Planning Areas 9 and 40, Company and Authority entered into that certain Amendment No. 2 to Secured Fire Protection Agreement dated as of March 26, 2009 (the "**Second Amendment**"), under which the Parties revised the timing of Authority's order of the other Fire Unit for Fire Station 20 (i.e., the large truck defined as the "Quint" in the First Amendment).

Whereas, due to the development of the Great Park property adjacent to Planning Area 40 and discussions among the City of Irvine ("**City**"), Authority and Company regarding the ultimate location of Permanent Station 20, Authority and Company entered into that certain Amendment No. 3 to Secured Fire Protection Agreement dated as of July 24, 2014 (the "**Third Amendment**"), to identify a new location for Permanent Station 20 and to update the Parties' respective obligations regarding the timing of design and construction of said station. The Original Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, is referred to herein as the "**Agreement**."

Whereas, in view of the ongoing construction of Permanent Station 20 in the location described in the Third Amendment and its anticipated completion in April 2018, Authority and Company now desired to further amend the Agreement to memorialize the status of Company's remaining obligations under the Agreement and the obligations of each Party regarding acquisition of apparatus and equipment and infrastructure expansion and support for Permanent Station 20.

**NOW, THEREFORE**, in consideration of the above, Authority and Company agree as follows:

1. Recitals; Definitions. The foregoing recitals are true and correct and incorporated herein by this reference. Unless otherwise defined herein, capitalized terms contained in this Amendment shall have the same meanings as given to them in the Original Agreement, the First Amendment, the Second Amendment and the Third Amendment.
2. Satisfaction of Company Obligations Regarding Fire Stations. The Agreement imposed obligations on the Parties regarding the dedication of land, construction of temporary and permanent fire stations, and the provision of apparatus, equipment and furnishings for temporary and permanent



Fire Stations at Sites 20, 27, 38, 47 and 55 (collectively, the "**Fire Stations**"). As of the date of this Amendment, Authority acknowledges and agrees that Company has satisfied completely all of its obligations under the Agreement related to the Fire Stations except for the matters related to Permanent Station 20 described in Section 3 below.

3. Remaining Company Obligations. The Parties acknowledge and agree that, as of the date of this Amendment, the only remaining obligations of Company under the Agreement are related to Permanent Station 20 and are as follows:

a. Completion of Construction. Company shall complete construction of Permanent Fire Station 20 in accordance with the approved Design Plans therefor no later than the deadline set forth in Section 3.H.11 of the Third Amendment.

b. Infrastructure Expansion & Support Payment. Company shall pay to Authority the sum of Five Hundred Forty Thousand Dollars (\$540,000.00) for infrastructure expansion and support for Permanent Station 20 (the "**IES Payment**") as required under Section 2.G of the Original Agreement as follows: (i) the first half of the IES Payment (i.e., \$270,000.00) shall be delivered to Authority within ten (10) business days of Authority's execution of this Amendment, and (ii) the second half of the IES Payment (i.e., \$270,000.00) shall be paid to Authority upon the Fire Chief's acceptance of Permanent Station 20.

c. Payment for Quint Fire Truck. Company shall pay for the entire cost of the Quint Fire Truck as more specifically described on **Exhibit A** to this Amendment. Company shall pay such amount to Authority within ten (10) business days after (i) placement of the Quint Fire Truck at Permanent Station 20, and (ii) Company's receipt of Authority's invoice for the Quint Fire Truck, whichever occurs last.

d. FF&E List; Additional Equipment for Fire Station 20. Notwithstanding any other language to the contrary in the Agreement or other written document relating to Permanent Station 20, Authority will purchase and pay for, at its sole cost and expense, the OCFA share (i.e., One Hundred Sixty-One Thousand Four Hundred Twenty-Four and Ninety-Eight/100 (\$161,424.98)) of the furnishings, fixtures and equipment as described in the FF&E Component List attached as **Exhibit B** to this Amendment, and Company shall pay for the ICDC share (i.e., Thirty-Eight Thousand Eight Hundred Forty-Nine and Ten/100 Dollars (\$38,849.10)) of the furnishings, fixtures and equipment as described in the FF&E Component List attached as **Exhibit B** to this Amendment. In consideration for Authority's payment of the OCFA share of said furnishings, fixtures and equipment, Company shall pay the entire cost of the items for the instrument room and training room to be installed in Permanent Station 20 in the amount of One Hundred Thirty-Six Thousand Four Hundred Dollars (\$136,400.00) as described on **Exhibit C** to this Amendment.

e. Delivery of Deed for Permanent Station 20 Site. The Parties acknowledge that Company is responsible for obtaining from the City of Irvine the Conveyance Deed for transfer of fee title for the Permanent Station 20 Site to Authority. Company shall deliver the Conveyance Deed to Authority within ten (10) business days of Company's receipt of the Conveyance Deed from the City. As provided in Section 3.H.9 of the Third Amendment, Authority shall sign the Certificate of Acceptance to the Conveyance Deed and cause the Conveyance Deed to be recorded in the Official Records of Orange County, California, at the time provided in Section 3.H.12 of the Third Amendment.

4. Additional Amounts Paid by Company for Permanent Station 20. The Parties acknowledge that, as detailed in letters dated December 22, 2016, November 7, 2017, and November 7, 2017, from Jamie Yoshida of Company to Patrick Bauer of Authority and consistent with Authority's rights to order additional work not to exceed five percent of the original contract price as provided in Section 3.B(2) of



the Secured Fire Protection Agreement dated February 11, 2003, Company has installed and paid for, at its sole cost and expense, a total of Three Hundred Twenty-Three Thousand Seven Hundred Eighty-Two and Ninety/100 Dollars (\$323,782.90) as described on **Exhibit D** to this Amendment.

5. Authority Obligations Regarding Temporary Station 20. Authority acknowledges its obligation, to vacate and remove, within sixty (60) days of Company's completion of the punch list work for completed Permanent Fire Station 20, all of its apparatus, equipment, furniture, supplies and other property from Temporary Station 20 and the Temporary Site so that Temporary Station 20 may be demolished and the Temporary Site cleared for Company's use as provided in Section 3.H.12 of the Third Amendment.

6. Effective Date. This Amendment shall be effective as of the date first set forth above (the "**Effective Date**").

7. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8. Conflicts. In the event of any conflicts between this Amendment and the Agreement regarding requirements for Fire Station 20 or any other temporary or permanent fire station as described in the Agreement (including the provision of furniture, fixtures, equipment, apparatus and other matters in connection with any such fire stations), the terms and provisions of this Amendment shall control.

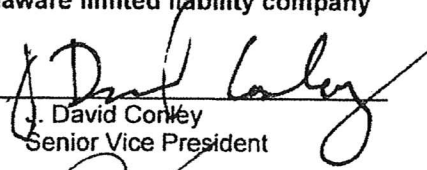
9. No Other Changes. Except as expressly set forth in this Amendment, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

**[Signature Page Follows]**


[Signature Page to Amendment]

**THE IRVINE COMPANY LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

  
J. David Conley  
Senior Vice President

By: \_\_\_\_\_

  
Jamie Yoshida  
Assistant Secretary

**ORANGE COUNTY FIRE AUTHORITY,**  
a California joint powers authority

By: \_\_\_\_\_

Patrick McIntosh  
Interim Fire Chief

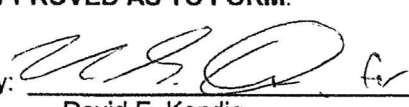
**ATTEST:**

By: \_\_\_\_\_

Sherry A. F. Wentz  
Clerk of the Fire Authority

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

  
David E. Kendig  
General Counsel  
Orange County Fire Authority

Date: \_\_\_\_\_

## Exhibit A

### Description of Quint Fire Truck for Permanent Station 20

<u>Item</u>	<u>Cost</u>
Quint Fire Truck	\$1,379,683.91
Equipment and Complements	145,461.75
Communication-related Equipment	<u>40,958.00</u>
<b>Total</b>	<b>\$1,566,103.66</b>

**Exhibit B**

**FF&E Costs for Permanent Station 20**

*[See attached pages]*

## FIRE STATION 20 FF&E COMPONENTS

### Budget Summary

1/4/2017

DESCRIPTION	OCFA COST	ICDC COST	TOTAL
Small Tools (Misc, Gym & Patio)*	\$33,153.90	\$6,415.20	\$39,569.10
Appliances*	\$0.00	\$23,712.48	\$23,712.48
Systems (Tel, Comm. & Westnet)*	\$50,976.74	\$8,721.42	\$59,698.15
Telephone	\$18,342.41	\$0.00	
Communication	\$32,634.32	\$8,721.42	
Furniture*	\$77,294.35	\$0.00	\$77,294.35
<b>Total</b>	<b>\$161,424.98</b>	<b>\$38,849.10</b>	<b>\$200,274.08</b>

Note: Values include Sales Tax. Values & quantities are subject to fluxuation over time.

\* Procurement Consistent with OCFA Ordinance No. 005 which was adopted by OCFA Board on January 12, 2003.

**Exhibit C**

**Costs of Additional Items for Permanent Station 20 Paid by Company**

*[See attached page]*

# EXHIBIT C

Addition	Equipment	Cost*
Instrument Room	- Mill Work	\$42,000
	- Fume Hood	\$10,000
	- Fume Ductwork and Exhaust Fan	\$9,800
	- Sink	\$3,000
	- Electrical	\$16,000
	- Eye Wash	\$4,000
Training Room	- Millwork	\$17,600
	- AV	\$9,000
	- Electrical	\$25,000
<b>Total Cost of Additions =</b>		<b>\$136,400</b>

\* Cost estimate provided by Consolidated Contracting Services, Inc on October 11, 2017

## Exhibit D

### Additional Costs for Permanent Station 20 Paid by Company

<u>Item</u>	<u>Cost</u>
Bi-Fold Doors	\$166,500.00
Battalion Chief's Office	9,125.87
WestNet PA & Alerting System	121,157.03
Temporary Back Up Station	<u>27,000.00</u>
<b>Total</b>	<b>\$323,782.90</b>